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John Maguire

RESPONSE

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HON. JOHN MAGWIRE,

TO A RESOLUTION OF THE NATIONAL LABOR COUNCIL,

TOUCHING THE DISTRIBUTION OF THE PUBLIC

LANDS AND GIVING HIS VIEWS OF A

JUST SYSTEM OF AMERICAN

FINANCE.

—ALSO—

AN ADDRESS

BY THE

HON. R. F. WINGATE,

ON

AMERICAN FINANCE:

ITS EVILS AND REMEDIES.



ST. LOUIS, MO.

PRINTED BY JOHN J. DALY & CO., 213 N. THIRD STREET.

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OFFICE OF THE NATIONAL LABOR COUNCIL,
WASHINGTON CITY, March 20th, 1873.

On motion of A. E. Redstone, the following resolutions were unanimously adopted :

Resolved—That the National Labor Council of the United States admire the arguments of Hon. John Magwire upon the money question, recently published in the *Washington Daily Chronicle*, defining the nature and sovereignty of the United States upon paper dollars.

Resolved—That the Council request Hon. John Magwire to give his views upon the question of the distribution of the public lands of the United States.

ST. LOUIS, MO., December 20th, 1873.

GENTLEMEN OF THE NATIONAL LABOR COUNCIL :

Before responding to the second resolution above set out, I deem it not improper to give a brief statement of the action taken by the National Labor Reform Organization on the question involved.

At a meeting of that body, held in Philadelphia, July, 1869, on motion of Genl. A. M. West, of Mississippi, a committee of five was appointed to prepare an address which would embody the public land question, to be reported to the next annual meeting of that body, to be holden at Cincinnati, Ohio, August, 1870.

The committee consisted of Genl. A. M. West, of Mississippi; Major A. M. Puett, of Indiana; McGlaughin, of Massachusetts; Alexander Campbell, of Illinois; and John Magwire, of Missouri.

A majority of the committee, to-wit: Puett, Campbell and Magwire, met in Washington City, in January, 1870. An address, which included the public land question, was then and there prepared; and, by special resolution of the House, permission was given, and the address was read in the House of Representatives on the evening of the 3d of February, 1870, by Thomas S. Nelson, Esq., the then acting assistant secretary of the committee.

That part of the address which related to the public lands, and contained in nine propositions, was published in the Washington City papers and New York *Herald* the next morning, and is as follows :

FIRST. Let the past remain undisturbed and the landed possessions of present owners be held as vested rights, (as a policy, if not as a principle,) let the national domain that remains (it is abundant for all time) be divided, not for sale, as heretofore, but for distribution among the people, the owners of the soil.

SECOND. The quantity of land for each claimant to be fixed according to a standard of sufficiency in money, and the amount of the quantity to vary according to the money value of the land.

THIRD. The quantity of land thus fixed to be the endowment of each applicant, of every age, either sex, and any condition of citizenship, complete or inchoate.

FOURTH. Each applicant to relinquish to Congress, in trust for the people, and in case of minors, by their guardians, all right of inheritance in land belonging to him or her at the time, or accruing in the future; or, at option, to make restoration of the endowment because of such future inheritance.

FIFTH. Endowed land to be exempt from all liability of debt or taxation to the amount of the original money sufficiency, and to be incapable of alienation or transfer of any kind, for any consideration or for any period of time whatsoever, and such alienation or transfer, if made, to be void.

SIXTH. But the surplus value which may be added thereto by the owner to be his absolute property, at his disposal, and subject to his liabilities.

SEVENTH. The original sufficiency in the land always to survive to an heir or devisee, (unless such heir or devisee be already endowed, or be otherwise endowed thereafter,) and in default of such heir or devisee, to return itself to Congress, to be granted to an unendowed applicant, as before provided.

EIGHTH. When the amount of sufficiency in the land is increased threefold or over in money value, it shall be separated from the grant, if susceptible of division in kind, and returned to the grantor for a similar use by another applicant; if not susceptible of division, its money value shall be paid to Congress upon reasonable terms of time and amount; or if the money value, according to the rule of sufficiency, shall be paid by the grantee at any time to Congress—in either of these cases, the whole of the land shall become the absolute property in fee of the grantee.

NINTH. The money thus paid shall be funded and expended in annuities to minors and the superannuated, within certain limits of age, in lieu of land endowments, if desired.

The plan hereinabove proposed was submitted to some of the most eminent statesmen and jurists of the country, receiving the strong approbation, among many others, of the late Hon. Thomas Ewing, of Ohio, and Hon. Francis P. Blair, Sr. A letter on this subject was addressed to me by the Hon. J. S. Black, a portion of which is as follows :

YORK, PENNA.,

April 4, 1871.

TO JOHN MAGWIRE—

MY DEAR SIR—The plan in connection with labor reform, for giving each individual citizen a sufficiency of the public lands, was explained to me with great perspicuity (the Judge refers to a period twelve months prior, when I requested his opinion). If I had not been convinced then, my more recent conversations with you, together with the reading I gave in the meantime to some able papers on the subject, has had that effect. What is proposed would, it seems to me, extirpate pauperism among all but those who prefer beggary to any other condition. It would stimulate industry and remove, in a large measure, the temptation to vice. It can hardly fail, if established, to have a most beneficent effect. I do not doubt the power of the Federal Government to do all that you wish done to promote your plan, for it interferes with no vested right, and comes in conflict with no provision of the fundamental law. I am one of those who wish well to your movement, because I know it has touched some of the best hearts in the country, and enlisted the

sympathies of the truest patriots among us. Here, in my own state, it is becoming more manifest every day that society cannot hold together much longer unless the rights of labor are better secured against the overgrown power of concentrated capital.

(Signed) J. S. BLACK.

The address goes on to state: "The report of the Commissioner of the General Land Office, dated June 30, 1869, stated that there was then remaining undisposed of thirteen hundred and ninety-seven millions, six hundred and eighty-three thousand, eight hundred and seventy-acres of public lands."

The plan of the address referred solely to lands undisposed of, and did not apply to any lands at that time alienated from the public domain. The doctrine of the address was based upon the laws of nature which provide for a distribution of the natural elements given to man in common, and to which written constitutions must conform—and contended that no one was entitled to a surplus of common gifts which deprived another of a sufficiency. Says an eminent American philosopher and jurist: "Of the things pertaining to this earth, there are some which belong to us in common with all others, such as light, air, water and the soil. When the human race went forth, the divine mandate at the beginning, to take, use and enjoy the things of this earth, became thus early the birth-right of man. And the long chain of title which is fastened to the throne of the Divine author, extends through hundreds of successive generations of the human race without break or interruption to the present day."

This historical fact is the foundation of the human law of property and the truth of the assertion that to mankind belong the things of earth as a gift from above, and is prior to all other laws and regulations for the disposal of property.

The right to acquire and exercise authority over these things, to subdue the earth, as it is said, is universally said to be a natural right. Man is conscious of a double life, and therefore the only animal that looks up; all others look down. When man's body goes back to the earth, it takes with it all that is belonging to the earth; when the spirit body leaves the clay body, it takes nothing visible or tangible belonging to the earth, yet he cannot fulfill the duties required by the law of his being if deprived of the necessary productions of the earth. This is true of the man in the palace, the

alms-house, or the prison. The decree that man shall eat bread in the sweat of his face none can escape. When that decree went forth all the elements necessary to fulfill it had been provided, and when man can command a sufficiency of these elements necessary for the fulfillment of that decree, in proportion to his labor will his toil be rewarded. Whence, then, do governments, by constitutions and laws, derive the authority of depriving him of a sufficiency of those natural elements, and thus attempt to thwart, as it were, the divine decree.

Certainly the founders of this republic did not intend to deprive man of a sufficiency of the soil, when they declared that all men have an inalienable right to life, liberty and the pursuit of happiness. In order to proceed logically, it is necessary to take a retrospective view of the origin of our being as a political people and a National Confederacy. The colonists (at least the large majority) brought with them to this country the laws and customs of Great Britain, and subsequently all were governed by such customs and laws. The Baronial system was often adopted by giving large grants of land to persons living in the various colonies. Genl. Washington, at the age of nineteen, was three years engaged in running the exterior boundary lines of Lord Fairfax's grant in Virginia; and so, in Maryland, large grants were given by the crown to Lord Baltimore and others. These people, and others like them, that came from the aristocracy of England, never would have begun the Revolution. It is claimed, and I believe truly, by the historian, Geo. Lynn Lacklan Davis, that the day star of religious liberty on this continent first dawned in Maryland. But it is equally true that the day star of political freedom first dawned in Massachusetts. The colonists had lived among the Indians, who, savages as they were, had some noble qualities, one of which was most notable, namely: they would brook no restraint to their political freedom. Those restless colonists no doubt saw that they too might turn savages if in no other way political freedom could be attained, and therefore it was, perhaps, that they were educated by the Indian without knowing it. They met and put forth the noble doctrine contained in the immortal declaration of 4th of July, 1776. The doctrine therein avowed that man was capable of self-government, was the first successful blow struck at the doctrine of the "divine right of kings." The inalienable right to life and the pursuit of happiness was not

the issue upon which England took up arms. At the close of the revolution, our statesmen proceeded to establish a constitution by which the pursuit of happiness was secured to all. What is happiness? and how is man to pursue it? I take it that it means that when a nation is politically free, the people thereof will have an inalienable right to a sufficiency of all the natural elements, which, with the co-operation of their labor, will enable them to fulfill the law of their being; and being secured in the use of a sufficiency of these elements, they are then in a condition to pursue happiness or misery as they may choose. But the decree that man shall eat bread in the sweat of his face is anterior to all human law, and means that he shall support himself and not encroach on any one else.

If man, politically free, produces from year to year—that is to say, from harvest to harvest—a sufficiency for himself and nothing more, he may be content. “But the laws of population behooves man to produce enough to support himself and wife and two children; or that the joint labor of man and wife produce a support for themselves and children until the latter attain an age when they can support themselves, and, in addition, to lay up a sufficiency to support themselves when they shall be no longer able to work.” Whatever may be attained beyond this is so much added to the wealth of the state. If, however, he fails to support himself—having the free use of all the elements necessary to that end—he cannot claim charity, unless from personal misfortune he is unable to labor. In our republic where the people are the sovereigns, and each entitled to his heritage of a sufficiency of the soil to support himself, pauperism should not be allowed. Under such conditions charity can be refused, and man of necessity be obliged to support himself. On the other hand, where man is deprived of a sufficiency of that to which he has a natural right, viz., the soil, and is unable to find employment, he can justly demand charity of those who have appropriated to themselves a surplus of a common gift. This is the doctrine of communism. If our territory were confined to the limits of the original thirteen states, and the system of granting to single persons or large corporations a surplus of the natural elements which would deprive another of a sufficiency, and the money of commerce controlled by such persons or corporations, communism would long since have taken root in this country. The vastness of our territory alone keeps it off for the present. To propose a change in

the system of disposing of the public lands at this date may seem unwarranted, yet the author is good. It is in the Constitution itself. Section III., article 4, of that instrument declares: "The Congress shall have power to dispose of, and make all needful rules and regulations respecting the territory or other property belonging to the United States." It is under this section that Congress claims the right to sell and donate the public lands to corporations. To dispose of is defined by Webster: "To distribute—to put in place—to arrange—to put in order—management"—and numerous other definitions much more applicable to the plan here proposed, for dividing and giving to each citizen a sufficiency for support, than to the words *sell* or *donate*. When we look back to ascertain what the statesmen who succeeded the founders of the republic have done to secure each citizen a sufficiency of the soil—his natural heritage—we find no record to that effect. We find that their patriotic lives and splendid talents have been spent in expounding the political doctrines of the Constitution.

There is but one remedy. The people, who are the sovereigns, must instruct their agents in Congress how to dispose of their lands and other matters, what laws are needed, and how they shall be formed. Having, I think, shown that each citizen is entitled by heritage to a sufficiency of the soil from the public domain, and that no one is entitled to a surplus of those lands, which will deprive another of a sufficiency, it may be well to give in detail a further explanation of the several propositions in the published address of the committee referred to.

FIRST. "Let the past remain undisturbed and the landed possessions of present owners be held as vested rights. Let the national domain that remains be divided, not as heretofore, for sale, but for distribution."

Upon this proposition, says the great jurist, Judge J. S. Black: "This will not interfere with any vested right or come in conflict with any provision of the fundamental law."

SECOND. "The quantity of land to be fixed according to a standard of sufficiency in money."

The quantity for a sufficiency in land must, of course, be alike in all cases, the quantity only varying according to its quality. This embodies the third proposition also.

FOURTH. Each applicant to relinquish to Congress all right of inheritance in land at the time or accruing in the future.

This proposition protects against fraud. The public lands remaining are for those who do not own any. And when one applies—no matter how—he can receive no land unless he first conveys to Congress that which he already owns, to be held for the same uses and trusts. If he already owns a quantity greater or more valuable than that which he is entitled to receive, he will, of course, not surrender the greater for the smaller. Those who are entitled will watch this point against fraud or deception.

FIFTH. Endowed land to be free from liability of debt or taxation to the amount of the original money sufficiency, and to be incapable of alienation, and if transferred, such transfer to be void.

That is to say, the citizen should not be taxed for his attribute of citizenship, nor should he be permitted to squander his heritage and thereby become a pauper,—a burden on the state. It is for the common good that no one should be allowed to become a pauper; and when the state has provided the citizen with the means of self-support, he cannot become a pauper, unless, as Judge Black remarks, “he prefers beggary to any other condition of life.” The law of charity should exclude him from that relief which it extends to the afflicted and unfortunate.

SIXTH. “The surplus that may be added thereto by the owner, to be his absolute property, at his disposal, and subject to his liabilities.”

This explains itself; he is to enjoy and dispose of the products of his labor, or the enhanced value of his privilege, no matter how obtained; but of his sufficiency he cannot dispose, thus depriving himself of one of the attributes of his citizenship—becoming a pauper, nor can the state deprive him of that right unless for cause.

SEVENTH. The original sufficiency to survive to an heir or devisee, unless such heir or devisee be already provided for, and in default of such heir or devisee, to return itself to Congress, to be granted to unendowed applicant, as before provided.

This proposition is so clear as to need no explanation.

EIGHTH. “When the amount of the sufficiency in the land is increased three-fold or over in money value, it shall be separated from the grant, if susceptible of division in kind, and returned to the grantor for similar use to another applicant; if not susceptible

of division, its money value shall be paid to Congress upon reasonable terms of time and amount, or if the money value, according to the rules of sufficiency shall be paid by the grantee at any time to Congress, in either of these cases, the whole of the land shall become the absolute property in fee of the grantee."

NINTH. "The money thus paid shall be funded and expended in annuities to minors and the superannuated, within certain limits of age, in lieu of land endowments, if desired."

By these two propositions, ample provision is made for the helpless out of the public lands. It may be objected that the citizen from his sufficiency who can acquire an absolute title in the manner described in the eighth proposition, will speculate by procuring deeds and sell the lands *ad infinitum*. But it will be observed that he cannot acquire a title unless he pays back to Congress, in money or land the amount of the original sufficiency; and that he cannot take of the public lands so long as he holds other lands. This is an estoppel in itself to any such course. When the Government parts with its title, as above alluded to—it will be for an equivalent in money or in land,—the money to be expended on the superannuated or helpless, the land held for another applicant. Thus the great resource, the lands, from which all support is derived, can be made, by proper laws, self-supporting and an inexhaustible reservoir of good. But prominent politicians, I will not say eminent statesmen, exclaim: "what, do you mean that the blacksmith shall quit his anvil, the weaver his loom, the hatter his block, the professional man his calling and go farming on a small scale?" No; we mean nothing of that kind. Whilst the averment that all are equally entitled to a sufficiency of the soil may suggest the idea that all should pursue an agricultural life, it is not necessary they should; nor is it just to deprive them of this sufficiency if they choose some other occupation. If ten men own five acres each as a homestead in many of the Western States, two of the men, with their families, can produce upon the fifty acres enough to support the ten, and at this ratio population can be supplied. Now, if the eight men rent their forty acres to the two who will engage to supply the bread and meat, the eight can embark in other pursuits, and so on to any amount; the eight, for instance, engaged in furnishing the two with implements of culture and transportation to market. The eight men may utterly fail in their enterprises, then they are destitute; they cannot pay for the bread and

meat, of which the two engaged in agriculture have an abundance and to spare, but there is no equivalent to be had for their surplus. The two in that case will not produce a surplus to feed the eight. They will go on, however, from year to year, raising enough for their own support, which they can easily do on their ten acres, giving up the forty acres to the other eight who have not parted with their land. Now, if these eight men are properly secured in their lands by law, will it injure their condition to have these lands to fall back upon?

Take for instance the statistics of New York City. There was in that city in the winter of 1873, a number of persons, twice the number of the entire United States army, who produced nothing. To keep these persons in order (such as it is) the number, including officers of courts, alms-houses, prisons and police force, was equal in number to the entire army of the United States. Now these persons are all entitled to a sufficiency for their support. Is their condition bettered by being deprived of it? Will the knowledge that Congress has set apart for them a sufficiency of the soil, to which, if they apply their labor they can support themselves, be a disadvantage? Will it not, in fact, lessen the temptation to vice? But it is objected that these persons would not leave New York to settle on land in the West; that, even if willing to do so, they are prevented from want of means to get there and support themselves until a crop could be raised. While that may be so, and is their misfortune, it is no reason for depriving them of their natural and inalienable right to a homestead. Mr. Greeley exclaimed, "Why do not these people go west, take up lands and go to farming?" When asked how they would get there and live on wild lands, he remarked that he could not tell how, but that the people would find out for themselves and invent some way. But Mr. Greeley, whose long life of usefulness, his wonderful progressive industry, pure patriotism and religious charity, the American people will always remember, did not live long enough to discover the virtue of the plan of the National Labor Reform Party or the National Labor Council for securing to every citizen his heritage in the soil, and that other more exciting, though less important question, of establishing a correct American monetary system, although in his last years he approached each so nearly as to leave but little difference. But to go back to New York, (and appportionate conditions are to be found in all other cities) in

that city in the winter of 1872, by estimate of the various Trade Unions and Labor Reform Associations, 150,000 working men were unable to find employment. Of course all of these could not suddenly pack up and go west, or all go to farming, nor would it be necessary, as I have shown in the case of the eight men above referred to. Suppose 10,000 should go and locate upon their homesteads (say of five acres each), that would take up 50,000 acres. Say 3,000 of the 10,000 would be sufficient to do the farming, leaving 7,000 to engage in other pursuits. Now, the people of New York would greatly contribute to furnishing the means of their getting west if assured that 50,000 acres of the soil were secured to them by right of heritage, and that they could not be deprived of it. I propose, however, to deal in facts, and like Mr. Greeley, leave the people to exercise their own judgment, for there is not much that conduces to the comfort of man that the American people will not find out and enjoy.

There is one other view of the distribution of the soil to which I desire to call attention, and which is peculiar to our republic, to-wit: In monarchical forms of government the sovereignty resides in the king or emperor, and to them belong the ownership of the soil. In our republic, where the sovereignty rests exclusively with the people, or in a majority of them—the rights of the minority being protected by the Constitution—the government and the people are one and the same. Our Constitution, which provides for certain agents, elected or appointed by the people, nowhere speaks of a *government*. The agencies therein provided for to carry out the wishes of the people are selected from among the people, and by the people. Thus the ownership of the soil rests in the people, and can only be disposed of with their consent. By a wise exercise of this sovereign power, the American people can, at all times, guard themselves against oppression and the wasteful distribution of the public lands, and the control of the money of commerce in the hands of organized monopolies. As instanced in the beginning, such grants as were made by the crown to Lord Fairfax, in Virginia, which occupied Washington, when a surveyor, three years to run the boundary line, can and should be prohibited. I may remark, in passing, that, extensive as was the grant to Lord Fairfax, not a descendant of his Lordship now owns a foot of it. If the monarchical government had been maintained, of course such estates as the Fairfax and others would have

descended and held in mortmain. The results have shown that individuals who have appropriated to themselves large areas of land for agricultural purposes have been obliged from year to year to diminish the quantity until it reaches the amount which the farmer and his family can cultivate without hired labor, and that is the maximum. It is a fact, established by the census reports, that the average rate of farming interest does not exceed two and a half per cent. per annum. This per centum is made a general rule only where the farmer and his family can cultivate the land they own by their own labor. How rare it is to find a farmer, with a number of children, who can provide for each of them a sufficient quantity of land to support them and their families. Hence it is that, to use a common expression, they have "to strike out for themselves." It would, I think, follow that if the plan proposed, of securing to all entitled a homestead, should be adopted by Congress, the system would become retroactive. The holders of large areas would be obliged to dispose of all but that which they can make pay. The citizen, on his way to the wild lands, will have opportunities, in many instances, to acquire a sufficiency where he will not be entirely isolated from the society of church and schools. In that event, he cannot be imposed upon in regard to price; for if held too high, he has his own heritage to go upon; the large land owners being obliged to distribute, the purchaser is free, as it were, to fix his own price. Experience has shown that ten families, in some of the states, each owning one hundred acres, produce a surplus greater than that produced by an individual owning one thousand acres. And were it not for the inertness, not to say indolence, of the negro population of the cotton states, a greater surplus would now be produced than when one man owned ten thousand acres and one thousand negroes. Indeed, under the slave system, the cotton planter was most always in debt to his factor for money advanced to the amount of his crop, before it was picked. When slavery was abolished, diffusion began; yet the aggregate production, with proper exertion, should increase. The abolition of slavery has already shown the retroactive character of this plan, by the division of large tracts of land into smaller ones, owned by numerous people, which were formerly possessed by one.

Another objection to this plan has been advanced, viz., that capitalists who require large amounts of land for the use of needful manufactories would be deprived of a sufficient amount.

There might, perhaps, years ago, have been some reason in this. For instance, when iron was made exclusively with charcoal, the manufacturers required large tracts of timbered land for fuel, and also large areas for agriculture, wherewith to support their workmen, and horses, mules and oxen. But when the discovery was made that iron could be made with stone coal, (and this was not discovered until nearly all the forests had been destroyed) these large areas of land were not needed. Manufactories are now located where the railroads can reach them. A space for the works and workmen is all that is now required. If, however, it should become necessary in the future, in order to afford greater facilities for manufacturing or for other purposes, on lands now belonging to the people, undisposed of, there is nothing in this plan to prevent the individual from conveying his land, renting it; or, what would be perhaps more desirable, entering into the co-operative system, and put their inheritance in as stock.

If this plan should meet with favor, it might require many years to carry it into effect. But I think no more of the people's lands will be sold in large quantities to corporations or individuals for speculation, and this lays the corner stone of the plan. Diffusion of the large areas hitherto held by individuals is rapidly going on.

Whilst providing a sufficiency for those not endowed, the right to a sufficiency for those who have paid Congress for the land they hold ought to be equally secured by appropriate legislation. Where persons who may have rendered important service to the community meet with misfortune, the government ought to step in, put a first lien upon enough of the estate to secure a support; and in making such provision, the amount of the estate, and the former usefulness and dignity of the person, ought to be considered.

We have seen the ablest statesmen in the country occupied in inventing schemes for regulating the volume of currency, and for providing to take care of a redundancy of currency.

It is more essential that provision be made for regulating the volume of population and the redundancy that congregates in the large cities—the excess that are non-producers, capable of supporting themselves, yet live on what others produce. This redundant population—not needed in the cities, and unable to find employment, and whose support comes from the production of the soil—ought to be afforded facilities for taking their heritage in the soil—a sufficiency

that by their own labor they can support themselves. If it be said that there is produced and brought to the cities a sufficiency to support the population necessary to return an equivalent, and, in addition, support the excess or redundancy of population, then to produce and bring in that excess of provisions is a waste of labor, and a tax on the body politic. Now, if the way is pointed out, and facilities afforded the redundant population for taking their sufficiency, as a right belonging to them, of which they can not be deprived, that will, in the language of Judge Black, "have a most beneficent effect in extirpating pauperism; it will stimulate industry, and be a check to vice; it interferes with no vested right."

There is an attractive power that draws an excess or redundancy of population to the city.

In order to preserve a proper equilibrium, there should be a corresponding repelling power to send back the excess.

If, however, the plan we propose should be carried into effect, the power of attraction to a free homestead might become as strong as the attraction to the city. Then the two waves of population, in and out, might balance each other.

The various pre-emption, homestead and bounty laws that have been passed, are encumbered with entanglements as to make it impracticable for many, as Mr. Greeley said, "to take up land and go to farming." There are comparatively few that could endure frontier life long enough to acquire the title of the United States; and the attempt, in most cases, has resulted in the pre-emptor and soldier serving as conduits for conveying the title from the United States to the speculator. The pre-emptor and soldier, with homestead swept away, go forth as much fugitives in the land as the Indian, except that they may vote. And the ballot, which enabled him to guard his heritage—his homestead—is no further useful but to sell. The best market is generally found in the city, where, by skillful management, men of genius gather a harvest in that traffic which furnishes a support from one election to another. But a support must come from the soil, no matter by what manner it reaches every individual.

I conclude with the averment that no one is entitled to a surplus of a common gift, which will deprive another of a sufficiency, and if the averment be true, then that sufficiency ought to be secured beyond a peradventure.

In order to make the public lands, remaining undisposed of, available for giving every citizen, not already endowed in lands, a sufficiency; that is to say, a minimum amount, which, with the co-operation of his means for labor, will enable him to support himself. He is not entitled by heritage to a greater amount, nor will his endowment prevent him, after he gets it, from purchasing as much more as he pleases from a stranger.

The amount of the endowment should be equal to all alike in value. The quantity will vary according to the quality of the land. In England, the estimate is, that one acre will support four men. In our country a more liberal allowance can be made; a sufficiency can be given. The amount of the sufficiency can be determined by legislation, fixed by a money standard, and the quantity measured by that standard. One acre of mineral land may be equal in value to 20 of agricultural land, and so on. The public lands can be marked off, and the lots numbered. The applicant can make his selection, and have his number recorded. This will secure his inheritance. He may then go upon it if he choose to do so. If, however, he prefers some other pursuit, the fact that his inheritance is secure, will in no way hinder him.

In Prussia and Switzerland, it is estimated that the money cost of raising a man child from infancy until he can support himself, is 1,600 thalers. In our republic the estimate is \$1,500.

When the American citizen has been raised to the age that he can support himself, his parents have added \$1,500 to the capital of the state. Likewise when the emigrant, a full grown man, declares his intention to become a citizen of this republic, it is \$1,500 added to the wealth of the nation; it is a donation, as it were, of that amount.

The report of the Commissioner of the General Land Office, in 1869, states the amount of increase of American society, by foreign emigration, from 1820 to 1860, to be 5,031,382, and the estimate of values brought to this country, is \$68, gold value, per head; and at this rate, the amount of money thus imported cannot be less, from 1790 to 1860, than \$500,000,000. This amount in values, and the money value of the emigrant to producers, is so much added to the national wealth; a donation as it were. Now the only equivalent the emigrant receives is the right to vote. He should be allowed to take a sufficiency of the public land for a support—the minimum amount; that, with the co-operation of his labor, he would have no

excuse for becoming a pauper. The person having no interest in the soil, has nothing at stake, and is not, therefore, a citizen in the full meaning of the term citizen. A state can not survive the loss of the citizen, nor the citizen the loss of his rightful sufficiency. The more assured the sufficiency the more assured the citizen to uphold and perpetuate the state. A citizen ceases to be such, when he has lost his sufficiency in the soil ; he has become something else and less.

THE MONEY QUESTION.

The first resolution of the committee recommends the letter published in the *Daily Washington Chronicle*, March 1, 1873, in which I gave a definition of money, and endeavored to point out the distinction that ought to be made between money—*the thing itself*—and the use that is made of it.

I asserted in that letter that money, when made by lawful authority, is a token of the sovereign power, and not a commodity.

I append a copy of that letter in response to your second resolution.

Money, to be valid, must have the impress or token of the supreme sovereign power of the nation upon a thing of substance in order to make that power tangible. But the power of the sovereign as expressed by the token is one thing; the value and the uses that may be made of that power is another thing; and the distinction ought to be kept in view. The value of the sovereign power, and the value of commodities must regulate themselves by the rule of supply and demand, and the money token is no more a standard of value than pork and beans, as I will endeavor to show.

Money is a legal fixed standard of payment; and he who possesses the token of the supreme sovereign power—money, feels as independent and as well assured that he has a power which will enable him to discharge every obligation that may come against him in the way of executions, taxes or judgments, and that he can gratify his ambition in obtaining everything he desires, if that token is expressed upon paper, as on pig iron, or any other metal. *Vide* the decision of the United States Supreme Court in the Legal Tender case reported in 12, Wallace. Now, if we keep this fact prominent, that whilst money is a fixed legal standard of payment, it is no more a fixed standard of value for property or commodities than the property or commodities

given in exchange for it. It is said money has a fixed standard of value. That is true only in regard to payment, but it has nothing to do with fixing a standard of value for property not in litigation. Supply and demand regulate that. Nor is it the representative of value other than the specified values that have been exchanged for it. To illustrate: the government has need, we will suppose, for pork and beans. How are those commodities to be obtained? The government makes proclamation that the token of the sovereign power will be sold, and pork and beans received in payment. The vendor of the pork and beans determines their value, and the person who will agree to furnish the largest quantity of those commodities for the lowest amount, numerically, of the money token, gets the contract. If, in 1872, one barrel of pork was offered for \$18.00, and a bushel of beans for \$2.00, that fixes the value of the money token. But its value may be fixed in 1873 at one barrel of pork for \$25.00, and the beans at \$3.00 per bushel. The \$18.00 received for the pork and the \$2.00 for the beans represents the value of the commodities parted with for the token, but it does not fix or represent the value of the pork and beans belonging to any body else.

The money token is fixed by law as a legal standard for payment, and as a power to be exercised in settling disputes. The people may carry on trade and commerce without using that token of the sovereign power, or they may use it as they please, but if they get into disputes, and the sovereign aid be invoked to prevent violence or injustice, the token of sovereign power will be used as the fixed legal standard for settling the dispute in some cases, but not all. If one obtains a conveyance by deed, which vests the title of real estate, the deed is as valid if the consideration expressed had been received by the vendor in potatoes as in gold eagles, but if the potatoes or eagles have been received by the grantor, and he refuses to convey the title, the court will divest the title out of the grantor, and vest the same into the grantee. But in relation to commodities; the court can not deal with commodities, but will instruct the jury to ascertain the market value of the commodity as measured by the money token. Then the judgment and execution has a fixed legal standard, numerically, in dollars, and has power to transfer the title of the property of the defendant for the number of dollars; but whether or not the dollars have any intrinsic value, that is to say, whether or not any commercial value inheres in the substance upon which the

token of power is impressed, is of no concern to the court. The judge deals with power, not with values. The execution and judgment had a fixed legal standard of value for payment. They could be bought and sold, however, at any standard parties may choose to agree upon.

When the judge enters a decree and orders it to be executed, the seal of the court upon the execution gives authority to transfer the title of the defendant's property, but that is the end of the power of the court. Then in order to extinguish the execution and judgment, the aid of the superior power is invoked. The money token is tendered, and whether that token be expressed upon paper of no intrinsic value as a commodity, or on a material of the highest value, is of no concern to the court.

The execution, with the seal of the court upon it, has power to transfer the title of the defendant in the execution, but none other, and it would derive no aid if the seal of the court was on gold instead of paper. The money token has power to transfer the title of any property that is for sale, and power to extinguish the execution and settle all disputes concerning property. But as said before, that power has no fixed legal standard for any thing else than for payment, and to be used for settling disputes; and therefore I repeat, that the power of the money token is as effectual for those purposes when on paper as on gold.

Now I will give the facts, which, I believe, will support the averments made, by inquiring where the power resides to issue that token of the sovereign power called money. That token, to be valid, must embody or signify the supreme sovereign expression of the nation, be it a republic or a monarchy, for every nation possesses an inherent right to provide the means to relieve their necessities.

If an army and navy is essential to preserve the life of the nation, the right and power exists to build a navy and to organize and keep up an army, and no one can question that power, and the right to provide all other means for the common good is as undeniable. If cannon balls and war vessels are essential, and we possess the material for furnishing a sufficiency, who has a right to interfere as to the amount or the material? If money is essential, and we have the material, who is to prevent us from supplying ourselves with as much as may be needed? who are we to consult as to what material should be used, or the quantity we shall make?

The power to make money—where does it reside?

The states possessed that inherent attribute of sovereignty; the power to make money, before they made a constitution, and exercised that power. But when they made a constitution, or charter, they surrendered the power to make money. That power did not die, however. The power to make money is by express words vested in the Congress by the Constitution of the United States, and in words as express, denied to the States. Now, what may Congress do under this express grant of power? Clearly they may, by proclamation, in regard to money, express the wish and power of the nation. They can embody the expression of the supreme sovereign power of all the people of all the states by a token expressive of that power. The Congress can declare what shall be money, and can fix a limit to the amount.

When the Congress declares as follows: "We, the people of the United States of America, declare this is one dollar, ten, twenty or one hundred dollars," or puts upon a thing of substance the mottoes, devices or tokens that signifies that declaration, the entire body of the American people are bound to assent to that declaration, and there is no other people or nation can call them to account for making such a declaration; it is not a question open to controversy.

Now, that Congress possesses the sovereign power to make as many war vessels or cannon balls as may be needed, the limit must be determined by ascertaining how much is needed, and the same rule ought to be applied to the limit of money. When the late war began, Congress increased the number of war vessels and cannon balls to the limit necessary and they increased the amount of money, not to the limit needed, however, as I expect to show, and in what they did, made very great blunders, as I expect also to show. But we will go back to the root of the matter. For what purpose shall Congress make money, and how does it get out into circulation, to be used as a power for transferring the titles of property? The people of the United States, we will suppose, desire to erect buildings for transacting the public business, to build and keep up a navy, to organize and keep up an army, organize and keep up courts, &c.

The Congress authorizes proclamation to be made that proposals will be received for material and labor. The people flock to the place where the work is to be let out; contracts are entered into; the officer is authorized to offer the token of the sovereign power (the

money token). The contracting parties agree upon the amount of material or labor they will give for a numerical amount of the money token. This agreement fixes the values of the token of sovereign power and the material, commodities or services given in exchange, and when taken in exchange for the values, it is the representative of the values for which it has been taken; and whilst that transaction closes the contract between the government and the individuals dealt with, it binds nobody else to that fixed standard of value, unless there is a dispute to be settled, and then it comes in only as a standard of payment.

The money token, in this way, goes out, we will suppose, in the first instance. There is no more given out than sufficient to pay for the values received. Congress has no authority to give out the money unless for value received, and has no just right to withhold the money after having received value. It has no just right to withhold payment for value received and put a lien upon the labor of the country and collect a per centum of the net productions of capital and labor to pay a semi-annual interest on a debt which they possessed the means to pay, and it was their duty to pay. The people who have the debt to pay, and are taxed to pay a semi-annual interest, which absorbs all their net earnings, have as just a right to demand that a tender be made of the amount due, and their labor relieved of the lien, as the defendant in a judgment or mortgage to demand that his property be released from the incumbrance after a tender has been made. But we will suppose the public improvements have been all completed, the army and navy established, and all paid for. Is there any more money needed? Has that which Congress directed to be made and gave out for an equivalent put a sufficient amount into circulation? If the population is to stand still, and no additional improvements are necessary, the amount in that case might be sufficient; the government requiring that the repairs and other expenses be collected by taxation, receives back sufficient to keep up repairs.

But population does increase, and the army and navy and other public expenses increase. Will not the demand for money increase proportionately? When it became necessary, in order to save the life of the nation, the army and navy was increased; so was everything else that was necessary, including money. But in this, I said, very great blunders were made, whether through ignorance, mistake or

design, must be determined by the facts as they stand upon the record, and as the facts I intend to give stand upon the record. I will state some of them very briefly. In 1862, the lower House of Congress passed a bill authorizing the issue of paper dollars as a necessity for carrying on the war. This bill provided that the paper dollars were to be as valid a legal tender as gold dollars, without any qualification. The passage of the bill by the House created universal joy and gladness over the land. The Senate refused to pass the bill as it came from the House, and amended it by providing that the interest on the government debt and duty on imports be paid in gold coin. The bill as amended became a law. The Senate amendment enabled the gold dealers to gather to themselves from the productions of labor a sum estimated by a member of the Labor Reform Organization (Mr. Groom, of New York) in 1872, at over one billion of dollars. The money that was issued under authority of that law, the greenbacks, carried upon their face a statement calculated to mislead, and did mislead. In place of declaring what Congress had a right to declare, "this is one dollar, ten, twenty, or one hundred dollars," it is stated, "The United States promise to pay ten, twenty, or one hundred dollars at Washington, New York, Philadelphia, &c." Promise to pay what at Washington or New York? We all know that the greenbacks were carried and sent to New York and other places by parties who considered them in the light of an order to draw the money. Mr. Greeley, and others, called it a legalized fraud; that a promise to pay money could not be money. The Supreme Court could not correct that blunder without inflicting distress and ruin on the people; but the court did settle the question of power in Congress under the Constitution to make paper dollars that shall be as valid a legal tender as gold or silver dollars, and declared the greenbacks to be such. And now that paper dollars have been declared as valid a legal tender as silver or gold dollars, where is the sense of this eternal twaddle about returning to specie payment? Specie payment, as commonly understood before paper dollars were declared a legal tender, meant *legal payment*. Now the word specie payment may be dropped out. Parties may make a legal tender in silver, gold or paper dollars. If one prefers to pay in specie dollars, their right to do so is in no way impaired to make a tender in paper dollars if they choose.

Now having shown, I think, that the Congress, the agents of the sovereign people, have the power and the right to give out the money

token as an equivalent in full for all values received, and the limit is the amount of the values and services received, and that Congress can have no just right to withhold the money after having received the equivalent.

And whether or not Congress has a just right to withhold payment by entering into contracts with the creditors of the government, whereby payment is postponed and a lien put upon the industries of the country that requires so much of the net profits of capital and labor to pay semi-annual interest and other expenses, as to bring upon the people the evils that afflict them so terribly—whether or not the Congress had such a right, certain it is, that the people oppressed by that lien have the power, if not the right, to repudiate such contracts; and as the people became acquainted with the modes in which they had been afflicted by so unjust a lien upon their industries, they began to counsel together how to have it removed. It appeared from the records that the bonds had been purchased at an average of fifty-five cents on the dollar, and there were numerous instances where parties purchased \$2,800 in greenbacks by paying \$1,000 in gold. The \$2,800 in greenbacks purchased a bond for that amount drawing interest semi-annually in gold at six per cent. In less than seventy-four months the purchaser of the bond received back his outlay in gold, and had his \$2,800 bond on hand, secured by a lien on the industries of the country. There was nothing to prevent the people from removing that lien after five years from the date of the contract, either by tendering the amount due or by repudiating it. This course was strongly recommended by President Johnson and others. That is to say, they recommended that after the bond holders had received back their first outlay, payment of the principal should be refused. The National Labor Reform Organization proposed, in 1867, that legal tender certificates be issued in sufficient amounts to pay the debt, and the same amount of bonds be prepared, bearing three per cent. interest interconvertible, just what Treasurer Spinner and Congressman Kelly and others now propose.

But obstructions were immediately put in the way, so as to make it impossible ever to remove the lien by paying the debt, and an attempt at repudiation involves us in a war with European nations.

In 1868, the chairman of the committee on finance in the United States Senate, and others of his party, proclaimed from the stump in

Ohio, that by the terms of the contract the 5-20 bonds were payable in greenbacks at the treasury building in Washington; and in a letter he addressed to Hon. A. Man, Jr., in Ohio, dated March 25, 1868, published in the *Ohio Statesman*, the following extract of the letter appears: "The holders of 5-20 bonds who demanded gold are extortioners and repudiators." The paper goes on to state that Mr. Sherman's information and ability gave him control of the finance measures of his party, yet no sooner was the new administration inaugurated than Mr. Sherman and all the republicans in Congress, with the single exception of Mr. Beatty, of Ohio, by the act of March 18, 1869, *prohibited payment* in greenbacks. That prohibition was by passing a joint resolution, offered by the chairman of the finance committee of the Senate, entitled a resolution to strengthen the public credit—"Resolved, that all obligations of the government shall be paid in gold coin."

A resolution to strengthen the public credit! To strengthen it where? As a sovereign nation we were independent of all other nations. In our sovereign capacity we did not owe a dollar to any other nation. But the resolution passed, and has the same effect as a law of Congress.

The next movement was a bill, introduced by Senator Sherman, to alter the contract made with the holders of the 5-20 bonds that were made payable at the bank parlor of our own treasury in greenbacks, which so changed this as to give the parties bonds payable in Frankfort, Hamburg, Amsterdam, London and other European cities, in gold coin; not in American eagles, but in the gold coin of Europe, which is valued above the American gold coin.

When the bill to change the contract was first offered, a committee of the Labor Reform Organization was in session in Washington, and sent to the Senate the following protest, which was also published in the *New York Herald* and other papers. It states as follows:

PROCLAMATION NO. 1—SHERMAN'S FUNDING BILL.

WASHINGTON, D. C., February 5, 1870.

To the working men of the United States:

We, the undersigned official representatives of the National Labor Union, composing upwards of four millions of voters, and in connection with whom are involved the interests of twenty-five millions of

the American people, invoke your attention to a bill now pending in Congress entitled "An act to authorize the funding and consolidation of the national debt; to *extend banking facilities* and to establish specie payment," introduced by Senator Sherman. This bill converts the currency loan made to the government at the rate of fifty-five cents on the dollar, into a gold payment at the rate of \$1 22 on the dollar. * * * * *

It will appear if that mode of payment is adopted, there must be collected from the producing classes, during the lifetime of the bonds, and handed over to the bondholders in interest, the aggregate sum of over \$3,281,000,000, leaving the principal, \$1,200,000,000 still unpaid. This bill is skillfully drafted, and exhibits the outcropping of the craft. If the draftsman had \$1,000,000 for his fee, it could not be more dexterously fitted for the nefarious purpose. It must have had its birth outside the walls of the Capitol, for the features of the money-broker are stamped indelibly upon it. But whoever is its author, we pronounce the bill in the language currently used during the rebellion, "a public enemy." Signed:

R. H. TREVELECK,

President of National L. R. Organization.

A. C. CAVIS, Vice President.

Alex. Campbell, A. M. Puett, Jno. Magwire, Committee.

It is also of record that a bill was prepared and read in the House of Congress by Mr. Keykendall, member from Illinois, on the 18th of January, 1867, House Bill No. 935, and again a bill was read on the 27th of January, 1868, by Hon. Sam'l F. Cary, member from Cincinnati, Ohio. Those bills were both drafted by a member of the Labor Reform party (Alexander Campbell, of Illinois,) and they proposed precisely what is now proposed by Treasurer Spinner and Congressman Kelly, except that the Cary bill fixed the rate of interest on the bonds, to be interchanged, at three per cent. And again in February, 1869, at the request of the then President and other members of the Labor Reform Organization, we prepared and delivered a letter to President Grant for his consideration before he made his inaugural, in which we demonstrated that if the Cary bill became a law, the entire national debt would be liquidated in twenty years, without taxing the people to pay a dollar of it; and we mathematically demonstrated that the reduction of interest from the government standard, six per cent to three per cent., would

result in a saving to labor of two millions of dollars for each working day in the year ; and in that letter we also insisted that by a proper construction of the constitution, power is vested in Congress to do precisely what the Supreme Court three years afterwards decided Congress could do, namely : make paper dollars as valid a legal tender as gold dollars.

Now I think the record exonerates the various Labor Organizations from the responsibility of withholding the equivalent for values received by the government, and entering into contracts for putting a lien on the labor of the country. Those organizations, through their representatives, urged payment according to the contract as first made, and as is shown, protested against the alteration of that contract. An agent may make a contract that will bind both the contracting parties, provided he has authority. But an agent can not alter such contract unless by consent of both the contracting parties. Such an alteration would be void. Now, the protest of the officers of the Reform Organization, representing over twenty-five millions of persons, must be conclusive that they did not consent to that alteration. Well, who did consent ? Perhaps none other than the bond holders, who number about forty thousand.

From the various excuses and apologies offered for altering the contract, one might conclude, I think, that it was brought about by the masterly statesmanship of England, assisted by other European governments, and those statesmen must laugh in their sleeves when they see that our American Congress allowed them to secure a lien upon our commerce and manufactures. Be that as it may, certain it is that our factories were and now are stopped consequent upon a money panic. Our merchants, many of them, bankrupt ; our laborers unable to find employment ; universal distress everywhere that drives men and women, who are able and willing to earn a support, to demand charity. Are the American people to submit to conduct so terrible in its consequences ? Is there a remedy ? There is always present a tribunal, a power to which the oppressed can appeal. St. Paul, and other expounders of the code of ethics, established and inculcated by the Legislator of Judea, have enumerated sins that cry to heaven for vengeance, among which are "oppression of the poor and defrauding the laborer of his wages."

We have seen that the Abolition party undertook to free the negro slaves from oppression and fraud. They had exhausted their powers,

aided as they were by the pulpit and the press. They found barriers thrown around that species of property by municipal laws and the constitutions which they could neither break through nor get out of the way. Senator Seward came to the rescue in 1849. He sounded the tocsin that set the negroes free. He proclaimed in his place in the Senate of the United States, that "there is a higher law" than the constitution, and to relieve the negro from oppression and fraud, they were justified in leaping over the constitution and appeal to the higher law, and Senator Seward made that appeal regardless of the constitution which he had just taken an oath to obey.

Now if the white men are oppressed and defrauded, if no other relief can be had, will not an appeal to the higher law in their behalf be as justifiable as in the case of the negro?

But no such appeal is necessary for the matter in hand. Whatever may have been Senator Seward's views of the constitution or the higher law, we regard our federal constitution as being in strict conformity with the Divine Law, and it guarantees "equal and exact justice to all, exclusive privileges to none." We are the constitution. The constitution is owned by the people and they have the right to construe it. "The Congress shall have power to coin money and regulate the value thereof." Coin it of what? The constitution does not state whether it shall be of iron, leather, paper or any other material. Congress has made paper money and the Supreme Court has twice decided Congress has the right to use its discretion in regard to material. Regulate the value of money! Congress can no more regulate the value of money, except to make it a fixed legal standard of payment, than to regulate the value of wheat, cotton or horses. He who is in possession of money, has it for sale or rent; is as free to fix its value as one who has wheat, cotton or horses for sale, or to fix the rate of rent for it, as he who has houses and farms to hire. The owner of the token of the sovereign power (money), must be considered as much a vendor as he who offers cotton or wheat for sale, and has the same right to fix a standard of value, but no more right than the vendor of pig iron or lumber.

Now that the Supreme Court has decided that Congress has the power and the right to make paper dollars as valid a legal tender as gold dollars, narrows the question down to how many dollars ought Congress to make? Clearly a sufficiency

ought to be made. What amount would be a sufficiency? We answer, enough to pay for the values received and remove the incumbrance.

Now who objects? Not the parties incumbered, who pay the semi-annual interest. The principal, as now enlarged, never can be paid. But we inquire what is the amount of the incumbrance? The mortgages transferred to European governments without the consent of the mortgagees, and for what consideration? There appears on the national ledger, a bills payable account aggregating over seventeen hundred million dollars, for which certificates of indebtedness have been given out. The 5-20 bonds have all become due and payable; that is to say, the Congress reserved the right to tender the money at the expiration of five years, and the five years have elapsed.

Now why not pay and remove the incumbrance? We have shown that the original contract has been altered. If the contract must stand as altered, the incumbrance never can be removed. The reasons given for altering the contract are various. But they are inventions as destitute of reason or logic as they are of sound sense. To return to specie payment is assigned. Well, the Supreme Court has decided that paper dollars are as valid a legal tender as gold or silver dollars. Is specie payment anything more than legal payment? The paper dollars have the same fixed standard of payment as gold dollars. Congress can no more fix a standard for selling dollars or lending or renting dollars, than fix a standard for selling commodities, renting or selling land.

It is said that if a tender of the debt be made, the collection of interest would stop. Well, who would that hurt? Certainly not those released from the tax. But the parties who would be obliged to accept their money would not be likely to find as safe a place to deposit or receive so high a rate of interest. That would likely be so. But that would be their affair, and of no concern to the thirty-nine millions nine hundred and sixty thousand who could not claim a dollar of the money.

It is insisted that the parties having so much money might inflate prices. Well, who could be injured by inflated prices? Certainly not the parties who received the money which is, and always must remain, a fixed legal standard for payment.

But foreign commerce. Well, what about that? Why, those persons who purchase commodities in Europe must pay in the money of Europe, and gold is the money of the world. But it is not historically true that gold is the money of the world. If it were, however, will the fact that we have paper dollars that are as valid as gold dollars be any hindrance to the purchase of gold dollars if persons wish to buy them? But if our merchants and traders cannot find it convenient to go to Europe and purchase commodities, there are plenty of Europeans who will be too glad to bring their articles here and sell them for valid legal tender dollars, just as they now do for greenbacks.

Then again, complaint is made that if the debt be paid there would be so much money go into circulation that the price of it would be greatly lowered; that banking would not pay so well as if the quantity were less. Well, of course, the rule of supply and demand must regulate the buying and selling price, but that has nothing to do with the fixed standard for payment. But, as Mr. Greeley said, if people have farms, it is their business to find out how to work them. This rule will also apply to him who has a surplus of money.

Then, it is said money should have elasticity—the volume should be regulated by Congress or Secretary of the Treasury; provision should be made for a redundancy of money—to keep a redundancy on hand somewhere to be used for removing the crops.

Now this means, I take it, that the government provide a safe place of deposit and pay interest on deposits (the money not to be used, however) but ready on call when the opportunity offers to make a speculation out of moving crops or embark in any other enterprise. Now let us analyse the logic and justice of this proposition. We will suppose that Mr. Strong has a surplus of 1,000 bushels of wheat, 100 head of cattle and 25 head of horses, and that Mr. Funk, both farmers residing in Illinois, has the same surplus of wheat, cattle and horses. Funk converts his surplus into \$5,000. Strong undertakes to keep his stock through the winter, but has not forage sufficient to meet the grass in the spring. Weevil and mice nibble at his wheat, his cattle and horses are likely to perish. Has the Congress a right to levy and collect a tax for taking care of Mr. Strong's redundancy of wheat and cattle? Certainly not. Has Congress any better right to levy a tax to take care of Mr. Funk's redundancy of money? Another illustration of redundancy: We

will suppose Mr. Stewart has a redundancy of money; he invests it in building houses to rent. He lets his houses to tenants at will in order that he may turn them out whenever a higher rate can be had. Is the Congress under any obligation to provide for taking care of Mr. Stewart's houses if he should loose a tenant for a time? He would have a redundancy of houses on hand if his tenants left. And this great question of providing money to move the crops. We have seen how that works; we have seen the money hoarded in anticipation of reaping a rich harvest when crops are ready to be moved. We have seen the cotton planters pay four to six per cent. per month for money to move their crops, and we have seen banks refuse discounts to their regular customers, and hold up in order to sell or loan at higher rates to the manufacturers and producers. It is supply and demand only, and not the Congress, that regulates a redundancy.

Now, I have stated facts, I think, sufficient to show that very great mistakes have been made by Congress in regard to furnishing a sufficiency of money, and that no part of the responsibility rest upon the Labor Reform Organization. A remedy is not to be found by fault-finding or a recital of the blunders that have been committed, nor do we see a remedy in anything that Congress now proposes. The President, as usual, recommends a return to specie payment, but he fails to point out the way to do it. But we can tell the Congress how specie payment can be established, or what amounts to the same thing, "legal payment;" and the mode is so feasible and so simple that, as our friend, Hon. Isaac Butts, of Rochester, New York, says: "it can be taught to an intelligent negro in one easy lesson." The bonded debt largely exceeds the money on hand. The lien upon the capital and labor of the country cannot be paid off unless there be money enough available to do it.

The amount on hand that can be made available is readily ascertained. This will determine the amount to be made. Now, what is in the way to prevent the Congress from making an order to supply the deficit? The material is on hand; gold, silver and paper will all answer to make valid legal tender dollars, and these would establish specie payment, or if we use the words legal payment it is better, both signify the same thing. It has been decided, I repeat, twice by the Supreme Court, that paper dollars are as valid a legal tender as gold dollars, but that does not prevent parties from making a tender of specie dollars if they prefer to do so; nor is such a tender

any more valid than a tender of paper dollars. And if there is a contract that calls for payment in gold dollars, gold dollars can not be collected unless the party to pay may choose to tender them. The court can only enter a decree for legal dollars, as if the contract called for payment in lumber or wheat. A tender in legal dollars will satisfy the judgment, an action for damages may lie, however, for a breach of the contract, but the damages may be tendered in paper dollars, so that whilst legal payment may be enforced, specie payment can not be. The government enforces specie payment on imports, but she does it by holding the goods until she gets the gold. If the goods are sold, greenbacks will buy them.

But to come to the remedy. We propose to instruct our agents in Congress, not the present Congress. But before nominations are made for the forty-fourth Congress, the people to be represented will prepare precise and particular instructions, in writing, to be submitted to the candidate, as to the business they desire to have transacted when they assemble at the National Capitol, and of the modes and instrumentalities to be used. The candidates will be required to subscribe to those instructions—to put himself upon the record.

They may instruct him first to move for a repeal of the joint resolution, passed March 25, 1869, "to (professedly) strengthen the public credit, and that all obligations of the government shall be paid in gold coin."

Next, that the original contract which made the 5-20 bonds payable in greenbacks at our own treasury be restored and put upon the record, as at first; and that the act of 1870, which changed that contract to payment in the gold coin of Europe and in European cities, be repealed.

Next, that a law be passed directing the Secretary of the Treasury, or whoever may be the proper officer, to have made a sufficient amount of dollars to liquidate the entire debt of the nation, as the same may become due and payable, and that the Board of Syndicates be abolished.

That the promises to pay, issued to national banks upon a deposit of bonds as collaterals, be recalled, and the bonds, if due, be paid in legal tender money.

If we inquire wherefore is this debt of the nation kept outstanding and unpaid. Wherefore do we deal harshly with ourselves?

Who are the parties in favor of keeping this incumbrance upon the people? We find it is not the laborers of the country, who have the debt to pay; they are not in favor of taxing themselves, and handing over a large per centum of their earnings to pay interest on an incumbrance that can and ought to be removed.

It is not the farmers, who support all, and would have taxes reduced, with better markets for their surplus if the debt is paid.

It is not the manufacturers, who would be likely to obtain money at rates as low as the manufacturers of Europe, which would enable them to supplant England in all the coveted markets of the world.

It is not our merchants, the necessary links of communication between the producers and consumers, and whose sympathies become interwoven with each other, and is often manifested in kindly feelings which impels them to risk their entire fortunes to carry the producers over difficulties or misfortune.

It is not the banks of deposit, who make loans to those that need money in advance of returns.

It is not the patriotic citizens, who combine their capital to build railroads and bridge our rivers, and borrow money on bond and mortgage; but when they go into the market find a first mortgage upon all the property of the nation, and part of that held in Hamburg, Frankfort, Amsterdam, London and other European cities.

It is not the newspapers of the country. These belong to the people and support the producing classes, who support them.

It is not the local state governments, who have no power to make money or emit bills of credit.

No; it is none of these that is responsible for keeping this gigantic debt outstanding and a tax upon the industries of the nation.

The following notice appeared a few days ago in the newspapers:

"HOUSE OF BARING.—The record of the death of Francis Baring, chief of the great banking firm of Baring & Co., of London, which for upwards of half a century, has, more than any other business house in Europe, with the single exception of Rothschilds', dictated the financial policy of empires and kingdoms, and been a leading power in the monetary and commercial world."

Dictated the financial policy of the world! That would include the American Congress.

If we go into the office of any money broker from New York to California, we will hear the ticking of the telegraph, and see, in front of the cashier's desk, an index finger that marks every hour the figure which designates the price of gold and stocks. We find London is the standpoint from which the intelligence emanates and the centre to which all converge. Starting from London, connections are made through ex-Secretary McCullough and Jay Cooke, until it reaches the New York money broker, then back, passing through the American Congress, which, it would appear, forms part of the ring.

The following appears in the Senate proceedings of December 18, 1873:

"The Senator from Massachusetts (Mr. Sumner) repeatedly declared before the Senate that every day we failed to redeem the *legal tender* notes the faith of the republic was broken; that we were lying; and that the country was deceived."

Now, what can that declaration, made before the Senate of the United States, mean?

Redeem legal tender money! Redeem it with what?

We supposed that legal tender money was the equal of legal tender money, and that when money had been adjudged by the Supreme Court of the United States to be legal tender money, no greater power or dignity could be imparted to it. Is the decision of the Supreme Court a lie?

The Congress, it would appear, wants to do something in regard to the money, but no two can agree about what shall be done.

Congress has power, under the constitution, to ascertain how much money may be needed in order to relieve our necessities, and has power to pass a law which will authorize the amount needed to be made; and when Congress makes money, they can declare that it shall be a valid *legal standard for payment*, and here their functions cease. Congress has no more authority for establishing a standard of value for money (except for payment) than to establish the value for a horse. Nor has Congress any authority for establishing or regulating banking. When Congress has provided the necessary amount of money, it belongs to the disbursing and receiving officers to take charge of it. The government has its treasury ample and well systematized.

If parties wish to establish banks, they do so under the local state laws, and are regulated by state laws, and if Congress interferes

with them, it does not derive its authority to do so from the constitution. Local banks for deposits and for discount, are as essential as merchants, and if they transact this business with lawful money, Congress has no right to meddle with them. As to the rate of interest or discount they may establish, it is a matter that only concerns the banks and those who deal with them. When one deposits money in a bank, he makes a loan to the bank, and he must be allowed to be his own judge as to the safety of the loan, and so of the bank; and as regards the rate of interest the banks may pay for loans (deposits), or the rate the borrower shall pay the bank, is a matter that concerns the parties to the transaction and none other. The Congress forgets its dignity when it meddles with these things. Supply and demand would regulate that.

JNO. MAGWIRE.

LETTER BY HON. JOHN MAGWIRE,

OF ST. LOUIS, MO.

ON THE

MONEY QUESTION.

WASHINGTON, D. C., March 1, 1873.

HON. RICHARD F. TREVELLICK, Detroit, Mich:

DEAR SIR: I have been furnished with a copy of the memorial signed by you and other officers of the Labor Reform Organization, entitled "The True American Monetary System," and received your letter of 22d of February, requesting me to assist in bringing the memorial before Congress.

Now, while no one can have more at heart the adoption of a true American monetary system and other means which will relieve American society, particularly the producing classes, from the evils that have resulted from the blunders committed by our statesmen in regard to the money question; and while I have labored, and will continue to labor, to the extent of my feeble ability, to eradicate those evils, yet I can not see a remedy in adopting the plans proposed in the memorial. If that memorial had been prepared by the persons who proclaimed "that a national debt is a national blessing," I would look upon it as a cunningly-devised scheme for establishing a system of government banking, which would for all coming time afflict the labor of the country with Mr. Jay Cooke's national blessing. I can take no part in invoking that kind of blessing upon the labor of the country through an act of Congress. I regard the true American monetary system forever settled and put upon the proper basis by repeated adjudication of that infallible legal tribunal—the Supreme Court of the United States. And I regard it a great misfortune to American society that that important question—the question of the power to make money—had not been settled when the government was established. The power given to the Congress by the constitution, to establish a true American monetary system, was as well defined and as absolute in 1790 as it was on the 25th day of February, 1862, when the Congress, for the first time, directed the Secretary of the Treasury to make

paper dollars—dollars that should be money, and have all the legal property and powers of gold dollars. The constitution, in many of its articles, is somewhat indefinite and vague, and there was a time when there was doubt in regard to the power to make money, but that time has passed. The Secretary of the Treasury in 1862 urged Congress to pass the law which authorized that officer to make paper dollars, and because the government was largely in debt for expenses incurred in carrying on a war to save the life of the nation, it became a matter of necessity to have money to pay the debts pressing on the treasury department. The constitutionality of the act of 25th February, 1862, was in doubt until in 1870, when the Supreme Court of the United States unanimously decided that Congress had power to enact that law, and that the paper money made by the Secretary of the Treasury in pursuance of that law is money, and a legal tender for all debts, except those specified on the back of the money and contracts which specifically call for gold dollars. Upon this the judges were unanimous, but differed in opinion as to the time the law took effect. The chief justice and three of the other judges decided that the paper dollars made after the act of 25th February, 1862, were not a legal tender for debts contracted prior to that date. The other three judges maintained that the money was as valid a legal tender for posterior debts as debts contracted after the passage of the act. But the same question—the question of the power to make money—was again brought before the court for adjudication in 1872, when there was a full bench of nine judges, and the decision of the court of 1870 was reversed; that is to say, the decision of the chief justice and three other judges, only, however, on the question of the date of contracts to pay money. The two newly-appointed judges agreed with the dissenting opinion of the three judges in 1870, that the greenbacks are a legal tender, no matter when the contract bears date.

In the cases of *Knox vs. Lee* and *Parker vs. Davis*, reported in 12 Wallace, the court decided that the paper dollars made pursuant to the act of 25th of February, 1862, “where there is an obligation to pay money without qualification are as valid a legal tender as gold dollars.” And in the case of *Tabillick vs. Wilson*, reported also in 12 Wallace, it was decided that there being two kinds of money—paper dollar and gold dollar—“that a contract to pay in gold dollars is merely descriptive of the kind of money agreed upon; that such a contract is as binding as a contract to pay in lumber or wheat.” But repeat the doctrine in the former decision, “that a contract to pay in dollars, without qualification, is fulfilled upon a tender of paper dollars.” In this case Justice Miller and Justice Bradley gave dissenting opinions. They contended that a contract to pay specie dollars is fulfilled upon a tender of paper dollars. There is a great deal of learning in the opinions delivered by the several judges upon the money question; and it is stated in the opinions that eagles coined after 1834 were not money until they were authorized by law, and had they been coined without a law fixing their legal value, they could no more have paid a debt than uncoined bullion or cotton or wheat.

Now, I maintain that those decisions have established the true American monetary system forever in this republic; and whether or not the construction we put upon the constitution, in a letter addressed to President Grant at the request of the then president of the Labor Reform Organization, February, 1869, upon the question of power to make money, had an influence upon the minds of the judges, certain it is, however, that in February, 1872, the court came to precisely the same conclusion upon that question.

The power to supply ourselves with as much money as may be needed being, therefore, no longer open to controversy, narrows the question down to this single point, to-wit: How much is needed? And I contend that this question is determined when we ascertain whether or not the government owes more money than she has on hand or available to pay what she owes. If not on hand or available, then enough ought to be made to make up the deficit. Will any one contend that the Government may not pay her debt in that way, with money, with paper dollars, or gold dollars, the paper dollars being as valid a legal tender as gold dollars, unless there exists a special contract to pay in gold dollars? And who will hereafter make such a contract?

Now, in the face of the true monetary system, established by repeated adjudications of the Supreme Court of the United States, your memorial proposes that the government shall establish a scheme for a banking system that will, in my opinion, rob the labor of the country to carry it on. When we possess the power to make as much money as may be needed, and have the material on hand, or to be procured at infinitesimal cost, wherefore pray for the passage of a law to authorize issuing what you call currency, and bonds bearing interest to be put on the market. The words currency, circulating medium, specie basis, convertible currency, government bonds, are slang phrases of bankers, that ought to be dropped out of our financial vocabulary. The word dollar means money, and money is counted by dollars. Neither of those words mean currency, specie, gold basis, or convertible money.

Your memorial proposes to establish a true monetary system, as follows: "By the issue of a full legal tender currency directly to the people without the intervention of banks, and interconvertible at the pleasure of the holders with registered government bonds, bearing a rate of interest not exceeding 3-65 per centum per annum."

Now, to what people a full legal tender currency is to be issued, and to what amount, or for what equivalent, is not stated. But I take it to be the intention to issue this full legal tender currency—yet do not know what is meant by the word currency—to an amount sufficient to pay the debt the government owes, and at the same time prepare and put on the market an equal amount in government registered bonds, bearing (not to exceed) 3-65 per cent. interest, leaving it optional with the creditor to take currency not bearing interest or a registered bond bearing 3-65 per cent. interest. Now, if that plan should be adopted, there would be two kinds of currency offered to the creditor—one kind not bearing interest and another kind bearing 3-65 per cent. interest—an equal amount of each kind on hand. Now, the same power that makes the non-interest-bearing currency makes the interest-bearing currency or bond. Both are a lien on all the property of the nation, with power to transfer the title of property. If they be declared a legal tender, the interest-bearing currency would be preferred, and the non-interest-bearing currency left on hand in the treasury, unless it be used for carrying on government banking, but that would appear to be an uncalled for inflation of the currency.

The memorial states, "All interest paid for the use of money, whether on public securities or private obligations, must in the end be borne by labor." This is certainly true. Then why propose a money system that will tax labor to keep it in operation when we possess the power to make enough money to pay all public securities bearing interest, that in the end must be borne by labor?

Now, we will state the situation of the cash account as it stood upon the national ledger in 1870—it may vary now. There had been issued from 1862 to 1868, by the

government, bonds to the amount of \$1,854,386,150. The government received for those bonds \$1,235,879,416. Fourteen hundred millions of the bonds called for payment in lawful money, and the interest in coin or gold. The bonds at that time were held, it was estimated, by about forty thousand individuals; or, to state the case more plainly, that about forty thousand individuals have a deposit account, amounting in the aggregate, we will suppose, now, to about seventeen hundred million dollars, and they hold certificates of deposit. Or, if we change the figure of speech and call them bonds, drawing interest, the fact is not changed. Now, those forty thousand depositors claim, and legally so, that those deposits all belong to the holders of the certificates. And there are over thirty-nine millions of inhabitants who do not hold certificates, consequently have no deposits in bank. Now, what would be the effect upon American society if those deposits were tendered to the holders of the certificates, and they be notified that after a tender has been made no more interest would be allowed? A tender of paper dollars or gold dollars, according to the contract. Certainly the government would have the right to make the tender when the bonds mature, and has the right under the monetary system which has been established by the decisions of the Supreme Court of the United States. The effect upon the thirty-nine millions who do not hold certificates of deposit would be to release them from paying interest to the forty thousand depositors, and the effect upon the depositors would be only to receive the money and cancel the certificate of deposit; then the government would be out of debt (the government never should be in debt) and there would be an end of government banking.

Now suppose the system should be adopted as proposed in your memorial. "By the issue of a full legal tender currency, *interconvertible* into bonds bearing 3-65 per cent. interest," as much currency as will pay the debt, and the same amount in bonds, how could the government ever get out of debt? Would not the interest on the bonds, the salary of clerks, and paraphernalia in the end be borne by labor?

I have thus, my friend, briefly stated some reasons why I can not favor the monetary system proposed by your memorial.

We contended in 1869 that the corner-stone of a true monetary system was in the constitution from the beginning, but it was never set until 1872, when the Supreme Court put it in the right place.

Now there are objections to founding a system with the decision of the Supreme Court for the corner-stone. It is said trade and commerce will be deranged, prices will be inflated, the paper money will have no value, &c. Before answering these objections, let us inquire as to whether or not we all understand alike what is the true definition of money? The thing itself. If we consult the dictionaries, we find that the men who compiled them have used words and phrases to explain other words and phrases. But those persons could not make facts, or alter them. The fact that money is a token of sovereign power, and that the value of the token is the measure of value that persons may put upon the sovereign power, seems to be little understood. In the abstract money is an ideal of sovereign power; that power is not a commodity, it is not tangible as a commodity—it can have no commercial value as a commodity. But when the sovereign power is imparted to a thing of substance by a token of the sovereign, the token imparts volition to the ideal power; the sovereign power then becomes tangible and circulates as a power in transferring the title of property, in facilitating trade and commerce; has power to settle all disputes concerning rights of property; power to extinguish a judgment. It is a token of the

sovereign power in the hands of him who holds it that enables him, by virtue of the sovereign power expressed by the token, to protect his life and property, and the sovereign will protect and enforce the power of the token in the hand of him to whom it for the time being belongs, in performing its functions, as absolutely as he protects the officer whom he has appointed to execute a death warrant, or the order of the military commander who transfers or takes the property of one and gives it to another. The power of the sovereign is as absolute in the money token as in the death warrant, or the order of the military commander when marshal law has been proclaimed. The value of the money token and the value of the death warrant and military order consists in the value of the sovereign power to protect life and property. Life is protected by the power to take life, property is protected by the money token. When that token of sovereign power is obtained by one he can transfer it to another, and both are left free to put an estimate upon its value; that is to say, the value of the sovereign power in transferring the title of property. The commercial value of the material upon which the token is impressed constitutes no part of the value of the sovereign power or money. The token of the sovereign upon the death warrant, or the order of the military commander, have no greater value when impressed upon gold than upon paper. It has been contended that the standard value of the sovereign power signified by the token is the commercial value of the material upon which the token is impressed; that is to say, the commercial value of the material as a commodity or as an article of commerce. The material may, or may not, have value as a commodity; but sovereign power is not a commodity. The power of the sovereign is the will of the sovereign, whether the sovereignty resides in a despot or a republic. The will of the sovereign, when promulgated by a death warrant or the money token, is as absolute under one form as the other. I think the decision of the Supreme Court referred to fully sustains this view in regard to the sovereign power when expressed by the money token. Thus the value of the token is the value that may be put upon the sovereign power—the will of the sovereign people. The value of that power is not a commercial value, but the value of the power to transfer the title of property and to protect life and property. The value of the power—a standard—may be fixed by parties to suit themselves. But when a contract is made the token has power to enforce it—to take life and property if it becomes necessary. But an arbitrary standard of value may be fixed by the sovereign to the token when he gives it out, and of course he never parts with the token unless he receives an equivalent, such as for services rendered or for property. But it by no means follows that the token of sovereign power is a representative of value, although it possesses power to transfer the title of any property in the nation that may be for sale. The token of the sovereign power, or money, is not redeemable by the sovereign. Money has power to pass the title of property, but money is not property—property is wealth, and wealth is active, and begets wealth; money is inert, and begets nothing; money is capital. The sovereign may conscript the citizen or subject, put him in the army, command his life, take property, or destroy property. The compensation to the soldier as to what he shall receive for his services or for property is a matter solely resting on the conscience of the sovereign. The sovereign may fix any amount he pleases, and tender to the soldier the token of sovereignty in such an amount as he pleases and discharge him. But although the soldier was obliged to take the token at an arbitrary value, he can not transfer it in that way. When he deals with a stranger the latter will have as much right to put an estimate upon the value of the token as he who was obliged to take it at an

arbitrary value; but whatever estimate may be put upon the value of the token in a commercial sense, its sovereign power remains fixed. The estimate put upon the value of that power may vary, but the power itself never varies. It is contended that the sovereign should exercise his power in affording facilities for carrying on commerce. But commerce is nothing but exchanging the productions of one territory for those of another, and is carried on by individuals, and must be left to individuals. The sovereign can exercise no more power in carrying on commerce outside of his jurisdiction than the individual citizen. But it is insisted that inasmuch as the money token when impressed on paper has no power outside the jurisdiction of the sovereign who issues it, and that the paper has no commercial value, therefore facilities would be afforded to the merchant if the token be put upon gold, which has a commercial value—a fixed standard of value. Such a policy would afford the merchant facilities for carrying the American money token out of the country in order to barter the material upon which the token of the sovereign power has been impressed as an article of merchandise, ignoring the power of the sovereign. To make money merchandise is to give it a quality that does not belong to it. And gold being merchandise, it is of the wealth of the country; it is, as has been shown, not money until the token of the sovereign is put upon it, and that token having the same power when put upon paper as upon gold, the paper token answers all the purposes of money, while the gold token may be carried out of the country to be bartered as a commodity. The paper token has power to afford all the facilities needed for our home trade, and enables the merchant to purchase commodities; to barter with a foreign nation he can purchase gold as a commodity, as he does other commodities for barter, such as cotton or tobacco. Since the token of the sovereign is not respected and has no power outside his jurisdiction, the merchant can procure his commodities, and since the brand of the sovereign upon the commodity for barter adds no value to the commodity, the sovereign should look only to adjusting his own household affairs, and withhold his brand from being put upon articles of merchandise. It is his right to protect the individuals carrying on commerce within his jurisdiction, but when individuals go outside of that protecting jurisdiction they must take care of themselves, the sovereign has no power to interfere except to see that the highways are kept open and free. In regard to fixing a standard of value for the token of sovereign power—the paper money—that is left to the people; they may put what value they please upon that power. But it is contended that the money of the world is of gold, and always has been. Well, we are not to trouble ourselves about what is or what has been. The assertion that the money of the world is of gold, can pass for what it is worth. Assertions are not always facts, and it is a fact that gold is not the exclusive money of any civilized people. All such use paper money and gold money the same as we do, and barbarous nations do not, as a general rule, transact their business with the use of money. They barter commodity for commodity. The world has been convinced that the American people are a self-supporting, independent nation, having ample and abundant resources for furnishing themselves with all things needful. There is a distinction between our theory of government—a republic—and a monarchy, that the people should always keep in mind. Wherever sovereignty resides, there government belongs. In a monarchy the government and the people are distinct bodies, as in ecclesiastics—the clergy and the laity. In a republic the people and the government are one and the same. But agents to perform the duties thereof are necessary, and therefore are created, say, a President, a Congress, a Judiciary. This agency is not, however, the

government, nor is there a word in the constitution of the United States which so denominates them. Hence the agencies of the republic, commonly called the government, are but a delegated body of men, and can not, in the very essence of their creation, transcend their powers without authority from their principals. If they do, their acts are void, and must necessarily be so, for the ballot is the only attribute of sovereignty which belongs to the American people. The people can, therefore, exercise their sovereign power through the ballot as they may deem it best to promote the common good. Is it not, therefore, unwise for us to deal harshly with ourselves in allowing the prejudices and superstition that have hitherto prevailed in old countries, and in our own, in regard to money any longer to inflict the people, to oppress the laborer, the manufacturer, the merchant, the railroad companies, and especially the farmer, whose surplus productions support all others. By a wise use of the ballot all the evils which afflict the people, and are the results, in a great degree, of a wrong monetary system, can be eradicated. The ballot of the laboring man counts one, and the ballot of him who lives upon the net earnings of labor counts no more. The producing classes of America all have a common object in view—the pursuit of happiness. All are interwoven as it were each one, the laborer, the manufacturer, the agriculturist, the merchant are a component part of a grand system, which should work harmoniously, without conflict or antagonism.

But, unfortunately, there is conflict and antagonism. Men strike, and although those who strike may be convinced that they thereby inflict injury on thousands, yet they strike. They appear to be instinctively conscious that there is a wrong somewhere. And when we critically inquire to find the wrong, its source can be traced to the unjust monetary system which prevails. It is, therefore, becoming in the sovereign people to correct the mistakes that have been made. The errors that have been committed through legislation can only be corrected by legislation. We may not look for a correction of those errors by the Congress elected in 1872. But in 1874, when another set of agents are to be appointed, precise and special instructions ought to be prepared for the guidance of the agents of the people, and only such agents should be appointed as subscribed to those instructions and put himself upon the record. But there is another question lying back of the money question, which I regard as one of greater moment to the laborers of the country, and of greater national concern than the money question, and if proper steps are taken in time it can be as readily adjusted. It is the question of the distribution of the soil. By the law of nature, as announced by the founders of the government, all persons, of either sex and of every age, have, by heritage, an inalienable right to pursue happiness, and, as a corollary, an inalienable right to a sufficiency of the natural elements to that end, by the co-operation of their means for labor.

The declaration of the founders, which assured to every citizen that inalienable right, a right to a sufficiency of the soil, the minimum amount necessary, as a right belonging to him of which he could not be deprived, either by his own act or the act of his agent, the Congress. In order that every citizen so entitled be clothed with all the attributes of a citizen having an interest—an individual interest as well as a common interest in the republic—at stake, and in order that every citizen could always have his heritage in the soil to fall back upon, that he should not be permitted to be a pauper, not only for his own sake, but for the common welfare. This is a question that our statesmen have not, it would appear, fully considered its great importance. I hope to have an opportunity to give my views to the Labor Organization in writing upon this subject at some future time.

I am, dear sir, respectfully, your obedient servant,

JOHN L. MAGWIRE.

I am requested to republish a letter on the money question, which was published in the Louisville (Ky.) *Ledger* of November 10th, 1873.

CHARACTERISTIC LETTER FROM JOHN MAGWIRE, A LEADING
REPRESENTATIVE OF THE LABOR-REFORMERS.

HON. S. B. CHURCHILL, Louisville, Ky.

MY DEAR SIR: In our frequent conversations regarding the money question, you insist that the definition we gave of money in a letter published in the *Washington Chronicle*, March 1, 1873, "is a novelty." Nevertheless, you appear to be convinced that it is sound, but hesitate to decide as to whether or not the plan proposed can be carried into practical effect, and request that I elaborate, for your benefit, the question more fully in its manifold details.

The definition we gave of money in that letter was a definition of the thing itself—money—and not a definition of the use that is made of it. We stated as follows: If we consult the dictionaries to find the true definition of the thing—money—we find that the persons who compiled dictionaries used words and phrases to explain other words and phrases. But those persons did not make facts, nor could they alter facts. The dictionaries define a spade to be an instrument for cutting and paring the ground, but a spade may be used for various other purposes. So may money be put to various uses, but the uses made of it may not be taken as a correct definition of the thing itself. There are certain powers which belong exclusively to the sovereign; latent powers that can be exercised whenever the occasion—the exigencies—happen that requires they should be used. The power to issue and execute the death warrant, to proclaim marshal law, issue an execution, or the money token are inherent attributes of the sovereign. Whether the sovereignty resides in a monarchy or a republic, those attributes of sovereign power can be as absolutely enforced under one form as the other. They are powers that can not be delegated. The sovereign may appoint agents to execute the death warrant or execute the military order, which are specific duties. The execution, which bears the seal of the sovereign power, may be assigned during the life of the execution. The money token of sovereign power is, in the first instance, issued by the sovereign, and given out for an equivalent received. That token of power can be sold, parted with by one who has received it from the sovereign, without formal assignment. It may be used as a power to transfer the title of property; it may be made a standard of payment, because it has power to extinguish a judgment when there is a dispute which the sovereign is called upon to settle between man and man concerning property; but it does not follow that the token of sovereign power—the money token—is a representative of value. Persons may use that token of power as a standard of value and put whatever value they please upon that token of power. And although the soy-

ereign fixes a value on the money token when he gives it out to the soldier for serving in the army, or to the citizens who furnished the supplies, it does not follow that a stranger is bound to accept at any other standard than that which he may choose for himself. This was exemplified during the late war, when the soldier was tendered \$16 per month in greenbacks and discharged. The sovereign fixed, as was his right, an arbitrary value to the paper dollars, but when the soldier offered the paper dollars to obtain supplies for himself, the traders put their own estimate of value upon them. The soldier was at liberty to accept the trader's estimate or refuse it. His necessities, in many cases, may have obliged him to accept the trader's estimate; but if he had to pay revenue to the government, or to pay an execution, the paper tokens would be estimated at the value he received them. Will it be said that the soldier had as good a right to put an estimate, to fix the value of the money token as the stranger? and wherefore does the sovereign derive the just right to fix an arbitrary value? The sovereign has power, but has no rights. He can not be brought into a court of justice, but if he is a wise sovereign he will be a just sovereign; and whilst he has power to dismiss the soldier, and refuse compensation for services, it would not only be unjust but unwise to do so, and therefore he will fix a value upon his paper token when he gives it to the soldiers. He will tender to the soldiers his token of power, call it one check for one day's service, or twenty checks for twenty days, or one hundred checks for a horse; or he may call them days or dollars, and he will tell the soldier those dollars, counting one for each day's service, or one hundred for a horse, will enable you to pay the persons who have furnished your family the amount of supplies which your labor could have produced while engaged in serving the government. If you owe dollars to individuals, a tender of those checks or dollars will discharge the obligation; or, if you receive supplies from the sovereign or have revenue to pay, those checks or dollars will be received. And thus it is that the tokens of the sovereign power are given out for an equivalent received. They go into circulation and become tangible, not as a commodity, but as a power to transfer the titles of commodities. They may be used as a standard of value, but the persons who use them may fix the value of commodities as they choose, and may put what value they please upon the tokens of sovereign power. A may be the owner of extensive coal fields; B is the owner of iron banks. A contracts to furnish B with coal; B contracts to supply A with all the implements necessary for digging and transporting the coal and supplies for the workmen. They may use the money token as a standard for the coal and supplies. The trade may be carried on for a series of years without using a dollar of the money token. If the amount of coal and supplies balance each other, no money is needed by either party; there is no dispute. If, however, they get into a dispute, and A claims that B has not compensated him fully for the coal; that according to the standard by which they traded, there is a balance due from B to A, they can not settle the dispute between themselves. They therefore invoke the aid of the sovereign in order to prevent injustice or violence. The parties are brought into court. The sovereign—the judge—instructs the jury in the law, and directs them to find the facts as to which party is in the wrong, and to what extent, according to the standard they had adopted in their trade or exchange of commodities. The jury report that B has failed to furnish an amount equal to what he received from A, and according to the standard of values agreed upon, B owes A a certain number of dollars. Judgment for the amount is entered against B in favor of A and an execution issued to the marshal or sheriff, directing him to bring into court the number of dollars due from

B, and authorizing the marshal, in default of receiving the dollars, to transfer the right, title and possession of B's property to A. The marshal makes proclamation that he will, on a day named, by virtue of the power of the sovereign—the seal upon the execution—transfer B's property to one who will give the number of dollars specified in the execution. B tenders to A the number of dollars—money token of the sovereign expressed upon paper. A refuses to accept it, alleging that there is no intrinsic value in the paper dollars; that he will demand B's property unless he is tendered dollars made of gold, which have value as a commodity, equal to his coal. B brings the paper dollars into court and proves the tender. The sovereign—the judge—directs the clerk to recall the execution and mark the judgment satisfied, and this is the end of the law; this settles the dispute. A complains of injustice, in this, that he could sell the gold dollars in a foreign country, and will be laughed at if he offers to sell paper dollars. The sovereign—the judge—will tell A that whether or not the paper tokens of his power have value as a commodity outside or inside his realm or jurisdiction, is a question of no concern to him as sovereign; that he deals with power and not with commodities, and that he will see to it that that power shall be respected within his jurisdiction, whether it be expressed upon gold or paper; and whether or not the tokens of power deposited in trust by B have intrinsic value as a commodity is a question that A may decide for himself. He may accept it or leave it on file, but one thing is certain, that from henceforth A must keep his hands off B and his property.

And this is the practice all over the civilized world. But the inquiry is made if the money token is used as a standard of value in carrying on trade and commerce, and has the same power to pass the title of property when expressed upon paper as gold, or to use the language of the Supreme Court of the United States in the legal tender decision, "where there is an obligation to pay dollars without qualification, a tender of paper dollars is as valid a fulfillment of that obligation as a tender of gold dollars;" and since the cost of the gold renders it impossible to be obtained in sufficient quantity to make a tender for all obligations, and paper can be obtained at an infinitesimal cost, why not make as much money as may be needed? and this brings us to the important question of how much is needed, and we are enabled to answer that question when we ascertain whether or not the sovereign has issued a sufficient amount to pay for services and property received or taken according to the standard he has fixed. Now if that were an original question, there might be some difficulty in arriving at a conclusion, but as the account now stands upon the national ledger, there appears upon the credit side of that record an indebtedness of over seventeen hundred millions of dollars, for which a comparatively few individuals hold certificates, or bonds drawing interest. This fact closes that inquiry. There stands upon the record the obligation to pay. Then why not pay? Let us inquire what would be the effect upon American society if that indebtedness be paid off as the certificates mature. If some call for payment in gold dollars, pay them in gold dollars, but the larger proportion of the debt—the 5-20 bonds—call for payment in lawful money, and a tender of paper dollars would be as valid a fulfillment of the obligation as a tender of gold dollars. (Vide the decision of the U. S. Supreme Court). Certain it is that if the deposits in the national treasury, now drawing interest, be tendered to those who claim them, and interest stops after the tender, the people now taxed to raise the interest would be relieved to that extent. So much of their net production as now goes to pay interest to bond-holders, could be retained by the producers, and it appears that the rate of interest paid for deposits,

or on bonds, is double the rate of increase by natural production of the national wealth. Now when the stockholders of a banking incorporation discover that their cashier has taken in special deposits, and issued certificates bearing a greater rate of interest than the bank is receiving, that cashier will at once be directed to tender those deposits and recall the certificates. The depositor may greatly prefer to keep the interest-bearing certificates, and may complain that if obliged to receive the money they do not know where they can loan it out for so high a rate; will not the stockholders of the bank tell them that is their affair? Now, where is the difference between the depositors in the bank and in the U. S. Treasury? Will persons who do not have deposits in the bank object to the action of the stockholders, and insist that they should keep the deposits and continue paying interest, because if the depositors be obliged to take their money they might not find so safe a place for it or receive so high a rent, or the parties who owned it might inflate prices? Now this is the objection made against tendering the bondholders the money they claim as belonging to them on deposit in the U. S. Treasury. But who makes objection to a tender of the deposit? Not the parties who do not claim to owe the money, and would be relieved from the tax. It is those who claim to be the owners of the deposits, and those who live and thrive by dealing in money, buying and selling the money token, creating panics and making corners and by skillful maneuvering control the money of commerce and thereby control the property of the nation. We hear those persons, in the face of the decision of Supreme Court, twaddling about returning to specie payment, specie basis, redeemable currency and convertible money—slang phrases that no longer have any honest meaning. But the day is not distant when those prominent financiers will be in favor of using paper dollars as the true American money, and they will then swear that they always were its advocates. We see that ex-Secretary Boutwell has abandoned the specie basis doctrine. We tell those advocates of a specie basis, that the man does not live, and the child never will be born, that will see the American people abandon railroads and go back to Conestoga wagons and stage coaches; and as well expect to see a specie basis. No state of this Union will ever hereafter be permitted to violate the federal constitution by granting charters to corporations authorizing them to issue bills of credit to circulate as money. Nor will the federal government, after the session of the present Congress, ever borrow paper dollars and give bonds payable in paper dollars. Nor will another Congress be permitted to alter contracts without the consent of all the contracting parties, as was done by changing the 5-20 bonds, which were made payable when issued in greenbacks, at the counter of the bank's parlor of the treasury building in the city of Washington, for bonds payable, principal and interest, in Hamburg, Frankfort, London and other European cities, and payable in the money of those countries; then have the effrontery to say that as Senators and Representatives they represented and acted as the agents of all the people. While that is true, it is not true that they acted in good faith towards the people who must pay those bonds. When there is an obligation to pay money there are two parties to the contract—the payor and the payee. An agent may transact the business for both the parties, the payor and payee. He may have power to sign the bond that binds both of the parties. He may be instructed to alter the bond, but such instruction must come from both of the parties. The chairman of the finance committee of the United States Senate, in stumping the State of Ohio in 1868, proclaimed everywhere that by the terms of the contract, the 5-20 bonds were payable in greenbacks, at the treasury of the United States, and upon this statement,

mainly, the election was carried by his party. If there had been doubt respecting the payment of the bonds in lawful money, as they expressed on their face, the declaration of the chairman of the finance committee of the United States Senate, so boldly made, settled the question. The contract was accepted and acquiesced in by the payors. Then by what right did the agents of both parties alter that contract at the instance of the payees only—the J. Cookes', the McCulloughs' and the Wall street gold ring? That contract was altered for a purpose. The bonds had been obtained at a price averaging 55 cents on the dollar, and inasmuch as they were purchased by parties who were instrumental in breaking down the credit of the government, and had received back an amount in interest greater than their outlay, there was beginning to be a feeling of repudiating any further payment—the sovereign people who made the bonds payable at their own treasury, could, if they so elected, repudiate the debt so unjustly made and equity might sustain them. But if the debt could be transferred to another sovereign nation, and become the property of another sovereign, repudiation would be a cause of war. It could be conceived that as American society had almost been destroyed for a time by a war among themselves, they would be appalled at the idea of a war in which the governments of Frankfort, Hamburg, London and other European cities would combine. Be that as it may, certain it is that the alteration of the contract opened up a new field for Jay Cooke and the money dealers. If that contract had stood as it was originally made, there would have been no need of syndicates in London, Frankfort, Hamburg and other European cities, all to be paid for out of the production of this country. Nor would there have happened the recent panic, brought about by Jay Cooke's blundering. The drove of Texas cattle that stampede at the sight of a red blanket are more excusable than the money dealers in their stampede at Jay Cooke's flag upon his door, on the 15th of September, 1873. But beneficial results will come after this panic. The people are beginning to inquire, wherefore do money panics happen, and particularly wherefore now, when the money is all good—no loss of money—and more of it in circulation than ever heretofore? The people are beginning to inquire for themselves wherein are these mysteries in finance which the money dealers only assume to know that others may not find out. And they are beginning to know that the money question, when stripped of the rubbish that has been heaped round and on it, is cleared away, it is a very plain question—one that every body can readily comprehend. The various organizations of Labor Reform, National Labor Council, Trades' Unions and Granges will be likely to unite upon the money question before they elect the next Congress, and they will be likely to write out precise and particular instructions for the guidance of their agents before they appoint them, in regard to the business they desire them to transact when they assemble at the capitol. They will direct their agents to wipe out the national debt by paying it according to the contract. The people who produce the wealth of the nation, will take the risk of an inflated currency and high prices, which the money dealers look upon with horror. They will be slow to believe that when they get high prices, and paid in money that can never fail to be good, they will thereby be injured. "The other scare,"—that the price of the money token will be reduced, that it can not be sold or loaned out for so high a premium as they can now obtain, and that there will be a redundancy that ought to be provided for. We answer that the low rate of interest will only effect those who live upon what others produce, and that the government is no more obliged to provide for taking care of a redundancy of money, in the hands of him to whom it belongs, than to provide for taking care of a redundancy of

wheat, corn, or the reapers and mowers during the season they are not needed. If one has on hand for sale 1,000 bushels of wheat, another \$1,000 of the money token, and they part with the money and the wheat—transfer them to a third party for cotton or bacon—who is the vendor, and who the vendee? Is not he who sells the money token as much a vendor and no more a vendee than he who parts with the wheat? There is ample provision for a redundancy of money in the development of our unbounded resources, and where, if invested, will contribute from year to year in adding to the national wealth.

Truly yours,

JOHN MAGWIRE.

St. Louis, Mo., Nov. 3, 1873.

AN ADDRESS

BY

HON. R. F. WINGATE

ON

AMERICAN FINANCE;

ITS

EVILS AND REMEDIES.

SAINT LOUIS:

THE R. P. STUDLEY CO., PRINTERS, 221 NORTH MAIN STREET.

1874.

ADDRESS.

At a meeting of citizens of the city of St. Louis, held at the Temple, November 7th, 1873: on motion of Fleming W. Fariss, Esq., the Hon. John Maguire was called to the chair, and on calling the meeting to order, said: "We are here to hear discussed 'THE AMERICAN SYSTEM OF FINANCE,' a subject of vital importance to the people, and to me as a citizen, and to me as the Executive of the National Labor Council of Missouri of the deepest interest," and that he now had the honor of introducing the Hon. Robert F. Wingate, well known as a faithful public servant; whereupon Mr Wingate addressed the meeting as follows:

Mr. Chairman, and Fellow-Citizens:

I am not here in the character of a partizan politician, but to invite your calm and unbiased consideration of a subject, closely allied and as is believed, vital to the welfare of the people and to the perpetuity of their institutions. A subject the imposing magnitude of which, but that I feel fortified in reason, and supported by developed facts, would deter me from an effort that will be confronted by an interested opposition, intensified by the example of the mother country and practice of our own, long indulged in and submitted to, and hence pregnant with prejudices difficult of eradication.

The history of nations which passed in review before the founders of the Republic, taught the veritable lesson, that governments, monarchical, despotic or free, can not long maintain their functions or remain independent of one another, without the sovereign control of the *purse* and the *sword*; and profiting by this lesson they so framed the constitution, as to vest in Congress the law-making powers of the nation, the power to declare war and to *coin money*, and to regulate the value thereof; of which two essential and indispensable attributes of sovereignty the power to coin money and to regulate its value is the most vital. Money furnishes not only the sinews of war, but the safeguards of peace. It is the great incentive to industry, alike indispensable to domestic trade and foreign commerce; without it business must languish—die, and our land, consecrated to freedom, become a prey to the invader—commerce the builder, civilizer and beautifier of nations, will abandon our shores, and liberty itself will be lost amid the throes of internal feuds and dissensions.

Money constitutes our medium of exchange, and the sole purpose of its coinage, whatever its consistency, or the material of which it may be coined, should be, to facilitate the transaction of the business, the trade

and commerce of the nation. It has no other legitimate use whatever ; and such being its functions, it should emanate exclusively from the National government, in quantity commensurate with the business necessities of the people, and in character, or of a kind, adapted to the demands of their trade and commerce ; and above all compatible with their institutions. It should bear the stamp of the Nation's sovereignty, declaratory of its denomination ; and upon the faith of that sovereign impress, symbol or *money-token*, alone depend to give it credit and circulation. Like the nation, the sovereign impress of which it bears, it should be independent, wholly free from the control of the laws, customs and practices of other nations. It should by virtue of law constitute a medium of exchange and measure of payment within the jurisdiction of its sovereign creator ; and whether coined of gold, silver or paper, or of all of these substances, it should have imparted to it all of the qualities of money ; be the money of the people and for the people, equal before the law in the discharge of its functions ; a common medium of exchange, payable and receivable in full discharge and acquittance of all debts, obligations and liabilities, individual, State and national. It should be the hand-maid of labor, of trade, and of the producing classes, as well as of capital. Capital and labor under our institutions must stand or fall together. And that they may be co-laborers in the cause of our common country, they must have a common medium of exchange ; the interests of one can not be fostered at the expense of the other, without a sacrifice of the principle of equality, upon which their mutual prosperity depends. Equality, the bulwark of liberty, the birth-right of all men in the civil relations of life, the idol of the fathers, will not, can not be either established or perpetuated under our system of government or any other without a common medium of exchange. A two-fold medium of exchange : *one* possessing all of the qualities of money, a measure or standard of payment, as is our gold coin ; *the other*, paper currency, not having imparted to it all of the qualities of money, being limited in its functions of payment, and hence subject to the gold standard—has in the past and will in the future build up aristocracies, and augment the powers of capital, while it robs labor of its due rewards.

This brings me to the consideration of our monetary system and the practice of the nation in the conduct of its financial affairs ; and wherein, as I maintain, the principal of equality has been departed from, and as a consequence burdens unjust and not to be endured have been entailed upon labor—the producing, mercantile and laboring classes, while the bond-holder, money-broker and exchange dealers have been not only freed from taxation for the support of the government, but have been installed pensioners upon the nation's bounteousness ; have been made

sole heirs to the profits of the productive industry, trade and commerce of the nation.

We have *under the law* a two-fold medium of exchange, gold, greenbacks and the so-called national currency (silver need no longer be mentioned), of which gold alone is a measure or standard of payment; greenbacks and the national currency the sole circulating medium. The greenbacks and national currency are both mere promises to pay money, they are not declared to be dollars, as is the gold coin, nor are they stamped with the money token of the nation as is the gold coin; and hence are subject to, under the control of, and their functions limited by the sometimes called money standard of the whole world—gold. The currency, dishonored and burdened with a precarious ever varying and ruinous rate of discount (the harvest of gold rings) is passed over, by the agency of the national banks, to trade and commerce, to the merchant, the farmer, mechanic and laborer, and by force of law becomes their only attainable medium of exchange; nor is this all, the wrongs thus imposed upon trade and the industrial pursuits do not end here, as will appear when we consider the process by which the currency is brought into circulation, and the monopoly conferred by law upon the national banks. The banks are formed by an association of persons who deposit with the government her bonds in amount not less than fifty thousand dollars, and thereupon receive in return, upon the faith of the bonds, in national currency, without charge or drawback (save one per cent on their profits, barely sufficient to cover the cost of the issue), ninety per cent. on the amount of the bonds so deposited; and thereby become bankers, brokers and exchange dealers; empowered by law to charge and receive on loans or discounts interest at the rate allowed by law of the State where they are located. This currency practically constitutes the banking capital of the association, and is furnished by the government—the people—without interest or discount, while they, the people, are forced to pay to the association for the use of it interest on short loans at the rate, as the rule, of ten per cent. per annum calculated on the face of the currency, and deducted beforehand from the amount of the loan. The whole of the national currency in the hands of the people of trade and commerce comes through the medium or agency of the national banks; thus subject in the first place to the difference between currency and gold, as measured by the gold standard, and secondly, subject to the payment, in advance, of the interest authorized by law. It is not enough that the deduction beforehand of a percentage of this currency, termed discount, amounting to one-tenth thereof annually, in behalf of the agency or bank through which the currency is loaned to the community, absorbs all of the profits of the loan—contradicts its very pur-

pose, and perverts its issue to the benefit, not of the people who use it, but to the agency that distributes it; but the loss—the amount of discount between the currency and gold, as measured by the gold standard, together with interest on the same, must also be borne by the borrower, and that too while the people are taxed to pay to the banks the gold interest as it accrues semi-annually on the bonds deposited by the banks, and upon the faith of which the currency is issued to them.

The banks pay no tax on the bonds deposited by them. They pay no interest, nor do they suffer a discount of the currency issued to them. They are but middle men, who pass the national currency over from the government to the people, and yet, as authorized by law, they demand and receive gold interest on the bonds, upon the faith of which the currency is issued; and with the gold so paid to them are empowered to enter the gold rings and speculate on the fluctuations of the currency passed over their own counters, and at the same time demand and receive ten per cent. as the rule by way of interest or discount from the community for the use of the currency, and thus the productive industry—the labor and business interests of the nation are burdened with taxation to pay the gold interest on the bonds; are subjected to the ten per cent. interest on the currency, and are compelled to bear the loss of the money difference between gold and the currency—while capital, freed from taxation, from interest or discount, is authorized by law to prey upon the necessities of the people. Is this “equal and exact justice to all, exclusive privileges to none?” The legislation of no country in any age furnishes a precedent for such legal inequality, such injustice. Shall the industrial and business interests and pursuits of the nation—her patriotism, perpetually yield to such inequality, such injustice; can labor do so without becoming the slave to capital? Can the nation and her material interests prosper at such disadvantage? Why wonder under such circumstances that business languishes, that taxation is onerous, that our marine has been driven from the seas; that even our mails are borne by foreign vessels; that the laborer is rewarded with a bare subsistence, while capital is building up its pyramids of wealth? It will continue so while the productive industry of the nation is forced to pay to capital the tribute now imposed by law.

Why, then, I ask—why reason and justice demand—should the people submit to such unparalleled inequality? Does the general welfare require the sacrifice? Must the many toil on, burdened with taxation, interest and discount, that the banker, bond-holder and exchange dealer may enjoy luxury and power? In the name of the Republic and her benign promises, I answer, No! Nor is this all. The principal of a large portion of our national debt, evidenced by our five-twenty bonds,

as expressed on their face, was made payable in the lawful money of the United States, and are now payable at the option of the government, for instance in greenbacks, and not necessarily either in gold or silver coin, as was ably and patriotically maintained by the lamented Stephens, who had more to do with their authorization than any of his compeers, and the memory of whose deeds as the acknowledged leader in Congress during the bloody ordeal of the war, will remain canonized in the American heart while equality remains the watchword of Union and liberty; no, the story of wrongs does not end here, but at the bidding of capital; at the bidding of gold-rings, as counseled by J. Cooke and under the leadership of Senator Sherman, of Ohio, as provided by the Syndicate policy with the specious pretense of maintaining the nation's honor (thus filching the livery of Heaven to serve the Father of lies in) our bonds payable in the lawful money of the United States, and at the option of the government; our five-twenty's must be converted into long bonds, thirty-year bonds, to be negotiated in Europe, thereby requiring that the whole of the principal of the national debt, as well as the interest, shall be paid in gold, which means a debt in perpetuity, never to be paid, but from time to time, through centuries, to be funded and again funded; the interest in the meantime to be paid in gold as it accrues, every three months, and at foreign counters.

A financial policy, which involves a hazardous departure from the advice of the father of his country, to avoid all entangling alliances with other nations. A policy which will prove, if carried out, a surrender of the nation's purse strings—a surrender of the control of our monetary affairs to the monarchies of the Old World, and in the near future result in America becoming a mere tributary power to her foreign creditors. Carry out the syndicate policy, and continue gold the chief measurer of payment, and by reason of the known insufficiency of gold in amount, continue to authorize as is now provided by law, the emission of paper promises to pay money for the uses of trade—the transaction of the business of the people, and as assuredly as that England, from whence the system was derived, has her extremes of wealth and of poverty—her aristocracy and degraded poor—time will develop in America an aristocracy no less exacting and overshadowing—a vassalage, no less hopeless and degraded. Like causes will produce like results. The pillars of the throne of England are embedded in her monetary system, and if we would preserve our equality, the corner-stone of the Republic, we should shun instead of following her example.

The fertility of our soil, our country's boundless resources; the vast extent of our un-appropriated public domain, may postpone the calamity. Our love of country, of liberty and peace, which have en-

abled us to withstand all assaults from without, and even endure and survive the test of a most bloody and determined civil war, may and will stimulate our endurance, but as certain as that the concentration of wealth and the centralization of powers, in the few in exclusion of the great body of the people, developed that corruption which robbed ancient Rome of the imperial sceptre, and enveloped her in dreary darkness, the day of our calamity will come. Our ruin is foreshadowed in her fall. Here as there, in this, as in that age, unless we heed the voice of reason and of justice, and thus shun the rock on which other nations, not our inferiors, have gone to ruin, capital and labor, the rich and the poor, the high official and the humble toiler, will meet a common doom beneath the ruins of the Republic.

This is no mere ideal portrayal of our possible future. The corruptions of the hour, the rapid concentration of wealth, the thirst for political power not surpassed in any age, and which sets at defiance every principle of honor and of honesty; the prostrating burdens that are being imposed upon the people; the improvident, unjust and partial legislation of our times; the exclusive privileges conferred upon corporate monopolies, wide spread discontent and loss of confidence and the deep toned and well-founded murmurings of the people, in the light of history stamp it with verity.

As yet, however, we are not without hope; the pathway of our deliverance is not entirely obscure, and, before our culminating wrongs shall have driven the nation to despair, before the crowned heads of Europe may in triumph point to America as a bleeding witness of man's incapacity for self government; while yet they may, it behooves the people, all who would perpetuate our institutions, to rally to the rescue; re-assert and as a band of patriot brothers vindicate that sentiment which gave victory to the Revolution and life to the Republic, "equal and exact justice to all, exclusive privileges to none." Equality is the soul of the Republic. Upon this rock, and none other, may she build an asylum for the down-trodden of nations.

We feel and know that the products of labor constitute our national wealth, and that they are bought and sold through the medium of money, and we realize that thus money becomes the controlling power, in the transaction of our business, trade and commerce; and that as this power is exerted, the interests of labor will be fostered or injuriously effected; and we feel and know, that the productive industry of the country is languishing, while capital is becoming concentrated and its powers and profits daily augmented; and yet, in the hurrying race of life, rushing through the avenues of trade, frantic over the loss of their just rewards, the votaries of labor heed not, that while they are following the plow, gathering their harvests, feeding their herds, toil-

ing in our factories, workshops, and store-houses, braving the dangers of the seas and of domestic commerce, to secure a sufficiency and add to the wealth of the nation, capital is in the political caucus, in the nominating convention; controlling the elections, crowding the fetid lobbies of our representative assemblies, state and national; moulding and shaping legislation; until now, exempted from taxation and all of the burdens of government, its votaries, the denizens of Wall street, the bond holder and exchange dealer—clasping to their bosoms our non-taxed, gold bearing bonds, intrenched behind our national debt, wielding corporate monopolies, clothed with the powers of the gold standard of payment, and the sceptre of the currency, are fast becoming the sole recipients of the profits of labor and commercial industry of a nation of forty millions of people.

Call it interest, discount, taxation, the results to the community are the same. Immaterial whether the wealth of a people is periodically abstracted by tax-gatherers or swallowed up by overpowering capitalists, gold-rings, bond-holders, money-brokers and exchange dealers, the loss is similar and the wrong done equally exhaustive of the energies of a nation and as potential of ruin to a Republic.

The American is hardy, so was the Roman. The American is progressive, so was the Roman. The American gathers harvests of wealth, so did the Roman. The American is courageous in battle and noble in council, so was the Roman, and stood the shield, and shielded by his imperial city, the mistress of the world for centuries, and yet the Roman and his imperial city, with all his prowess, and all her magnificence and power, were forced at last to yield to the destroyer of nations—oppressive taxation. Can America hope to withstand the assaults of this destroyer, and escape a like fate? The Roman knew nothing of corporate monopolies, and being taxed in corporate behalf, he was protected by law from the insatiate demands of the usurer. His government at no time outraged her citizens by delegating to a corporate body of usurers the sovereign power of dispensing the medium of the exchange of her trade and commerce, and exacting interest or discount therefor, as is done in the American Republic. Such a surrender of national authority was inaugurated by the English Monarchy about the close of the seventeenth century, and done to increase the power of her aristocracy, and thus strengthen the pillars of her throne.

Take away this discount in England and her monied aristocracy will dissolve. Relieve our productive industry of the interest, the discount and money difference imposed by law and incident to our twofold medium of exchange, and in lieu of the greenback and national currency; issue paper dollars, having all the powers of money, and thus

furnish to trade a medium of circulation that shall be a measure or standard of payment so that gold in the hands of capital shall not be the controlling standard or measure of payment, and the profits of labor that are now swallowed up by the money broker and exchange dealer will accrue to and be enjoyed by the producer, who is entitled to them; and the gold rings, in the commercial capital of the nation, which keep the National Treasury in perpetual seige and alarm, will be broken up, and gold seek investment in the growth of our cities and in the developement of our national resources, instead, as now, of enabling the law favored usurer to absorb all of the profits of labor. Our monetary system is neither advantageous to the government nor just to the people.

In justice then, in the name of the Republic, of its fundamental rule of civil equality, abrogate the law that usurps the august functions of popular government, and which authorizes, in behalf of a few thousand men, a deduction of so large a portion of the products of the wealth of our people. A law that absolutely prohibits the accumulation of the capital that belongs to labor, as its surplus earnings, by every form of device, whereby the great producer obtains but a bare means of subsistence; the overplus of his industry—his capital, being absorbed before hand by the insidious discount of usury—a tribute to capital inflicted upon and enforced against the importers of cargoes, the manufacturer, the mechanic and farmer, all of whom are victims to this insatiate taxation; and the merchant by adding the interest or discount to the cost of his merchandise, is compelled to hand down the oppression to the community that trade with him; he is not only the victim of interest or discount himself in the first instance, but he is made an engine of the law, to inflict it upon others, through every class and grade of society all, all are subject to its visitation. Every ocean bound vessel that outrides the storm, every steamer that runs the hazards of our inland seas with their cargoes; the construction, equipment and cost of operating railroads with their freight of the products of labor or of human beings, pays this wasting tribute. Every transaction in your commercial exchange has this insidious process gnawing at its vitals. Night and day, in this wide extended Republic, this currency is circulating as the people's medium of exchange, and imposing the weight of these insupportable burdens of interest and discount—prolific of panics, suspensions, insolvencies, bankruptcies, gold-gamblings, loans, debts, tariffs, taxation, and an incongruous mass of vicious legislation in the way of funding bills, all sequents of a borrowed money policy, aided by our twofold medium of exchange having unequal money powers, and by reason of which millions of men engaged in the industrial pursuits have been strewn before it in

the dust hurled down like a forest before a sweeping storm ; nor does it pause to mark the fall of its victims, but speeds on in its mission of ruin—a necessity to all, yet ruining all who may, by stress of business, be driven within the scope of its devouring effects.

Such results should startle men who have at heart the welfare of this nation.—Results that would overpower any other nation than this superabundant Republic.—Results which should satisfy a congress of representative patriots that their legislation therein has been destructive of that equality and diffusion of powers and privileges without which we must sooner or later cease to be a free people.—Results that point with unerring certainty to the cause of the languishing condition of our trade and commerce, and in unmistakable language account for capital realizing all of the profits of the productive industry of the country.—Results that challenge the patriotic interposition of all who would vindicate the civil equality of men, and make America an asylum for her own oppressed people, while it is claimed that she is the asylum of the oppressed of all nations.—Results that plead for and argue the cause of reforms that will stay the hand of oppressive taxation, that will relieve the great body of the people from a bankrupting rate of interest and discount, that will dispel the gloom now clouding our country's future, and reanimate us in the love of the

“Land of the pilgrim's pride,
Land where our fathers died.”

Reforms that will sweep away the evils of our monetary system, and that mass of improvident, unjust and partial legislation, state and national, that has proved so prolific of a bonded indebtedness, of corporate monopolies, land grants, gold-rings, wide-spread corruption and inequality that are making such manifest inroads upon our national pride and love of country, that are blighting and withering the great American heart ; that are tearing away and trampling under foot, one by one, and in rapid succession, the supports of our freedom ; that are stealthily robbing us of our confidence in man's capacity for self-government and filling our minds with gloomy forebodings for our country's future ; that are actually shrouding liberty for its burial beneath the heel of a monied aristocracy. Reforms, plain, practicable, just and constitutional, lodged with the people—the source of all power, who may and of right under the constitution wield the sceptre of the nation's sovereignty. Reforms that will inspire hope, restore confidence and re-establish civil equality. Reforms that are available, if the people will but cast away pre-conceived opinions and prejudices, founded more on custom than in reason, and array themselves in antagonism to the centralization of wealth and power, to all monopolies and grants of exclusive privileges, and above all to a money policy, a two-fold

medium of exchange which was fastened on the young Republic soon after it rose from its baptism of blood and from thence to this hour has contributed to the establishment of a monied aristocracy, wholly in conflict with the principles upon which the fathers founded their declaration of independence—a money system which has in the fullness of its fruition, in the last twelve years, dwarfed our marine, driven our merchantmen from the seas, converted our standard of payment, gold, into a commodity, a thing of mere bargain and sale, made an usurer, a monopoly of capital, which, by means of the power of discount with which the law has clothed it, has enslaved the productive industry of the nation and made it, tributary to its inexorable demands, to an extent so exhaustive that nothing but the forbearance, the patriotism, of the American people could stay the red hand of revolution, that could, under the whip and spur of our wrongs, say, “let us have peace.”

Be not deceived, our safety, politically and financially, lies in reformatory measures to be effectuated through national statutes; capital will never yield to an equality with labor, but, in the hope of enjoying the luxury and powers incident to an aristocracy, would rather that liberty should die. Hence the task of patriotism is great; indeed, when we look in upon our national assembly, our representative agency, and witness the artful schemings of capital brought to bear through that instrumentality, and reflect that our national debt mounts up to billions, that it is in the hands of capital, secured by non-taxed gold bearing bonds, it would seem overwhelming, hopeless. But, thanks to the wisdom of our institutions, the sovereignty of the nation begins and ends with the people, who may, through the ballot, control its destiny; and if the people will but prove true to themselves, to justice, to the cause of liberty and mankind, they will, through that instrumentality, work out a peaceful solution of our country's ills, and bring about an equitable distribution between capital and labor of the profits of production, and make them as they should be, co-laborers in the cause of our common country.

Reformatory measures, like all other classes of legislation, should be reasonable and just, and I propose suggesting none other.

Our Union was in peril, and to save it intact and preserve the nation's life, armies had to be mustered and maintained in the field. Our revenues, being on a peace basis, were inadequate. Loans were resorted to, and to secure payment, our bonds, with interest coupons attached, were thrown upon the market and disposed of at a ruinous discount—the inevitable result of the nation being at the mercy of capital under a borrowed money policy. A national debt, scarcely within human comprehension, was created (the feast of capital, and, as it has proved, enervating burden cast upon the people—the laboring

classes—who, amid blood and carnage, rallied to the support of the Union, while capital enjoyed its coveted feast). The debt should be paid at the earliest moment possible, and as “denominated in the bond.” Good faith requires this. And in peace, as in war, the nation’s hope, those who toil must and will rally to the support of the nation’s honor. At the same time they should demand that good faith shall be observed towards them. The products of labor have been and are taxed—exhaustively taxed—while the bonds, the fund of capital, have been and are exempt from all taxation, municipal, state and national. The exemption was promised, is a part of the law of the contract, and so made in order to draw capital from its concealment—the price of its patriotism. Keep the promise, however unjust the consideration.

The bonds made payable in gold should be so paid, together with the interest thereon. And thus adhering to the contract on their part, the people should require that the contract shall be observed on the part of the bondholder; that is, that the bonds made payable in the lawful money of the United States, our five-twenties, shall be paid in lawful money, and not necessarily in either gold or silver coin, and at the earliest option of the Government. *That there shall be no further funding of the public debt, which will, in any way, increase the gold bearing or other non-taxed obligations of the nation, but that our bonds shall be called in and paid, as the ability of the nation will justify, to the end that the interest may be stopped.*

That the burdens of the public debt, so far as may be possible and consistent with the law of the contract, shall be so managed as to bear equally on all classes and interests.

That our financial system and revenue laws shall be so framed and administered that capital shall bear an equal proportion of the burdens created by the war, and no longer, by reason of that calamity, and by means of unjust discrimination should continue to enslave labor.

That the Government shall issue no more money of the nature of mere promises to pay money, or currency, its powers to be measured by a gold standard, or authorize or permit it to be done by others; but in lieu thereof the Government alone, and without any intervening agency, should issue *paper dollars*, having all of the powers or qualities of money for a circulating medium. That there shall be no further foreign loans negotiated on the part of the government—a debtor without the means of payment is and must remain subject to his creditor; as well return to England our independence as to surrender to her the keys of our Treasury. The syndicate policy, so-called, can prove nothing else than a curse to the nation. To have exempted from taxation the capital invested in our bonds, in behalf of home capital, was unjust. But to convert the whole of the public debt, enormous as

it is, into non-taxed gold bearing bonds and to negotiate them in foreign governments, as contemplated by the syndicate policy, would be a crime beyond compare.

If labor is to be the pack horse, the hewer of wood and drawer of water for capital, let it be for home capital. We should not go within the jurisdiction of monarchs to choose our masters—*our public obligations should not be permitted to pass beyond the control of the nation's laws.*

If the people are to be burdened with taxation, and the profits of productive industry taken to discharge our public obligations, the common welfare requires that they should be paid to our own citizens; and by thus augmenting the subjects of taxation, lessen the burdens of the tax-payer. A wholesome reciprocity of duty between the Government and the governed should be upheld with the strictest fidelity, which cannot be done by taxing the people in behalf of foreign bondholders; by the Government contributing the profits of the labor of this country to enhance the wealth and increase the capital of the monied aristocracies of the old world.

The patriots of the revolution grasped the sword and severed their connection with the mother country mainly because she made them tributary to her fortunes, while they were denied representation in her councils; cause sufficient, but small in comparison with the unrequited burdens now sought to be imposed upon the American people by scheming sons of those patriot sires, by converting our debt, overwhelming as it is, into non-taxed gold bearing bonds, having over a quarter of century to run, and negotiating them abroad. Such is the syndicate policy. And if you would convert these States, virtually if not in fact, again into British colonies—have every dollar of American gold melted in the British crucible, your factories, machine shops and ship yards closed, your finances, your foreign commerce and carrying trade placed at the mercy of Great Britain, and she permanently enthroned mistress of the seas, carry out the syndicate policy. But if you would remain free and independent and maintain that position among the nations of the earth, to which, by the laws of nature and nature's God, you are entitled, you should keep your debt at home, in the hands of your own citizens, and subject to your own laws.

A saving of one or one and a half per cent. interest, as claimed, if realized, does not justify the hazard of the enterprise. But, remembering that the reduced interest has to be paid every three months, and that the bondholder has the same to operate on for the remainder of the year, and that not a dollar of gold or other money is brought into the country by the process, but that it is only an exchange of a bond, the principal and interest both payable in gold, for a five-twenty bond

the principle of which may be paid in the lawful money of the United States, and at the option of the Government, the saving, if anything, becomes infinitesimal in amount, a myth, and the subterfuge of the syndicate policy to substitute foreign for home creditors and convert our five-twenties into gold bonds, is exposed in its guilty deformity.

The syndicate policy carried out as contemplated will extract millions annually from the wealth of this nation, and to that extent reduce the subjects of taxation, which would not occur if our accruing interest was paid to our own citizens.

England, dependent upon her natural resources, is a pauper in comparison with America, with hers. Yet constitute England our creditor, the holder of our non-taxed obligations, amounting to upwards of two billions of dollars, to be paid, principal and interest, in gold, which we cannot now pay, and which, under our present monetary system, by reason of the scarcity of gold, we can never pay, and America will become a slave to English capitalists, or be driven to repudiation at a forfeit of the nation's honor. The products of the labor of our toiling millions of freemen will be appropriated to the aggrandizement of the aristocracy of England, as are the products of the toil of her own oppressed subjects. If you would avert such a calamity, the bare mention of which is enough to cause an American to feel for his sword, you must keep your debt at home in the hands of your own citizens.

And if you would carry out the principles promulgated in the Declaration of Independence, and have Americans, in fact, as in theory, free and equal, or long continue their institutions, you must relieve labor—the productive industry of the country—from the incubus of interest and discount, now exacted by law in behalf of the national banks.

Greenbacks and the national currency must be superseded, and in lieu thereof Congress must establish a medium of exchange, not mere promises to pay, but possessing all of the qualities of money, and of a consistency and in quantity adapted to the convenience, and answerable to the necessities of the whole people.

This Congress, as the representative agency of the people, may do. The authority to coin money needed not to have been conferred by constitutional provisions; it is an inherent, indispensable and organic power which attaches to sovereignty, and in its exercise Congress should keep in view and circumscribe its action by the principles upon which the Government is founded. England does this, Imperial France did the same, and the German Empire would welter in blood rather than surrender the exercise of power so vital to her imperial existence. England has her gold standard of payment, and paper

promises or obligations to pay. So has America—gold for the use of capital—promises to pay for the uses of her laboring classes, for trade and commerce, and no system could be devised better adapted to the support of a monarchy, or more detrimental to republican institutions.

Money is the creature of law. It is a token of sovereign power, and its stability or usefulness does not depend upon the value of the material upon which the token may be impressed, but upon the ability or wealth of the sovereign power of which it is the creature; unless that which is intangible, a mere ideal, is a commodity, or unless sovereignty itself is a commodity, which it is not. The token alone imparts the powers or qualities of money, and when stamped by sovereign authority upon a thing of substance, the substance bearing the token, whatever it may be, gold, silver or paper, becomes a standard, not of values, but of payment or exchange; the law of supply and demand regulates values. Money is founded upon the whole wealth of a nation, backed by the power of sovereignty, and circulates as a medium of exchange in discharge of all obligations within the jurisdiction of its sovereign, and whatever the invention, falling short of this, it is not money in the true sense of that term. The token is the voice of sovereignty, speaking through the law, and will give to any substance the quality of money! that quality being an assurance given it by law that a token which a vendor receives for the commodity he sells will pay for the commodity he buys according to an agreed price, or the value of the commodity. That which you may pay or tender in payment, or in discharge of a debt—the end of the law under the civil code—that which, embodying sovereign powers, when property has been levied on, and the law officer is about to pronounce the fatal word, sold, which has carried woe into so many households, and driven widows and orphans numbering millions to depend upon the cold charity of the world, will satisfy the judgment, and stop the sale.

The commodity upon which the token may be stamped, may, as gold and silver do, possess material value, but the value exists because of the uses to which the commodity may be applied, not because of the stamp of the money token.

A piece of gold of the same weight and carat of a twenty dollar gold piece, is as valuable without as with the money token, save the expense of coinage.

Gold is not created by law, neither is silver, while money is the creature of law solely. Gold and silver are parts of the creation or substances produced by natural causes, and depend upon labor to develop their usefulness and adapt them to the uses of mankind, the same as the diamond that adorns the brow of majesty, or renders more resplendent the charms of our queenly beauties. The diamond is more

precious than gold, but it has not the quality of money, and why? for the want of the money token, that which alone can impart to any substance the quality of money. The gold eagle has the quality of money, and why? because in pursuance of law the money token is stamped thereon.

Gold and silver, like other useful commodities possessing material value, as articles of commerce augment the wealth of the nation that produces them; but they do not of themselves possess the quality of money any more than does any other substance. They are but commodities until the money token is affixed to them. It follows that every ounce of gold and silver that is produced from our gold and silver mines and coined into money, is to that extent subtracting from the commercial wealth of the nation, and adding to the balance of trade against us.

The value of our gold and silver products amounts to many millions annually, all of which the only legitimate use of money being to facilitate the business transactions of our trade and commerce, is lost to our commercial wealth, being buried in the money token.

Is this sacrifice made from necessity? Are gold and silver the only commodities of which money may be coined? Cannot paper be stamped with the money token? Assuredly it can; and if it is the money token that imparts to a substance the powers or qualities of money, reason, although supported by the prejudices of ages, must fail to explain why money may not be coined of paper.

It may be urged, it has been urged, that under the Constitution, the government can use only metals in the coinage of money, but this idea, under the enlightened construction of that instrument, by the Nation's highest legal tribunal, in the cases of *Knox vs. Lee*; *Parker vs. Davis*, and *Toblick vs. Wilson*, reported in 12th Wallace, has been exploded; and it would seem, if reason is to control, forever put to rest. Congress may provide for the coinage of paper dollars or gold dollars, or both, as in its wisdom deemed expedient. This power is inherent in the sovereign people, to be exercised through their representatives in Congress assembled; and without the right of its untrammelled exercise, this nation would stand before the world an invalid sovereign, with the right arm of her sovereignty palsied by her side; a flimsy structure, without the means of self-defense; a prey to other powers; the victim of mob-rule and insurrection. What would have been the fate of the Union of these States in the late civil war, if we had had no other than gold or silver money, or power to resort to any other expedient? What would have been our destiny? How could we have assembled our armies or maintained them in the field? Would it not

ere now have been written of the American Republic, as it is of the Republics of former ages :

“Gone glimmering through the dream of things that were :
A schoolboy’s tale the wonder of an hour.”

Gold, as a medium of exchange on account of its known insufficiency in amount, and its want of adaptability to the demands of trade and commerce, as has been aptly said, “Is a myth, a phantom, a ship in full sail in the clouds.” And has since the discovery of the power of Polar attraction, which converted the oceans into common highways for the Nations, given place to the sceptre of the currency that indispensable and more potent agency of commerce.

Gold, as the sole means of payment or redemption, in view of the magnitude of our debt and its scarcity, is a most wicked delusion, and in the disguise of funding bills, will perpetuate the burdens of the people.

The gross amount of the debt of the Nation, municipal, State and National, is not less than three and one-half billions of dollars. Can this vast sum be paid in gold under our present money system? Do the people now, or can they ever, possess it? Never. Your revenue laws may provide for its levy and collection; and under the claim of the public necessities the authorities may seek to extort it even by tyrannical inflictions, it will not be, it cannot be obtained; the interest alone on a sum so vast, payable in gold, will absorb all of the profits of the productive industries of the nation, and perpetuate the debt. No hope of paying a sum so vast, under our present monetary system can be honestly entertained; the amount of gold is wholly insufficient to justify it, and to promise it is a fraud concealed beneath the mantle of the funding bill policy.

Capital should pause; necessity knows no law.

Patriotism, the welfare of the nation, the cause of liberty and mankind, counsel peace, patient endurance, but oppression persistingly imposed absolves all ties, invokes the rights of self-preservation, the first law of nature; and sooner or later the people, even at the risk of ills they know not of, will seek in blood, if necessary, the overthrow of the power of their oppressors.

Gold, I may say, is the sovereign of metals, but as the sole standard, or measure of payment, on account of its insufficiency in amount and value as a commodity, a most potent centralizer of wealth and power; a foe to civil equality, and hence incompatible with the genius and spirit of our institutions. Having the quality of money, it is an exacting tyrant in peace, and in war a hiding, cringing, skulking coward.

When the sad tidings of America at war with herself went crushing through the great American heart, and the sons of toil on either side were

pressing to the front, with their resolves to conquer or die, the votaries of capital neither North or South drew the sword of offence or defence, but with a devotion not excelled by Pagan Idolatry, clasped their idol gold to their bosoms and fleeing the tents of chivalry and patriotism, sought safety within the shadow of the British Throne, or under the protecting wings of the Eagles of France; only anxious for the opportunity, now and during that lamentable conflict, so fully enjoyed, to prey upon the necessities of a war-stricken nation. Yes, while the mournful tragedy of the war was being enacted, and the advocates for free government were, with trembling suspense, awaiting the fate of the Republic—whether the last hope of liberty was to be lost in that endless night that gathered over the Republic of former times, or whether her patriot defenders would return from the unnatural conflict bearing as trophies of victory the shackles of four millions of slaves—while surrounded by a nation in tears and shrouded in mourning; even while the dome of the capital of the nation was reflecting the light of the campfires of an imposing rebellion, the Capital conspirators, with the gold and silver spectre, were in the departments of State, in the committee room, in the lobby, and on the floor of the halls of Congress, night and day, suggesting, scheming, controlling, and adroitly shaping legislation, to enslave and make tributary to their unappeasable avarice the profits of the products of labor, and the story of their success, the attainment of the ends they aimed at, fraught with mischief and oppression to the people, is told in a national debt of over two billions of dollars secured by non-taxed bonds bearing gold interest; is told, in the price the bonds were sold for (on an average of fifty-five cents to the dollar, paid in greenbacks at their face, and while as measured by the gold standard, they were at a discount on an average of thirty cents on the dollar), is told in the amount of interest that has been paid in gold on the bonds, amounting to their original cost and over; is told in the establishment of the National Banking system, on the basis of the bonds, and in the monopoly conferred upon the National Banking Association; in their being constituted the sole agency through which the community may obtain the currency, and in the fact of the authority conferred upon the banks as such agency, to exact ten per cent. interest paid in advance and calculated on the face of the loan; while the currency is furnished to the banks by the government without interest or discount: is told in the fact that the productive industry of the country is taxed to pay the bondholders the earnings of their capital in gold, while the people are restricted to a depreciated currency as their sole and only medium of exchange, and for the payment of their earnings; is told in the money difference between gold and the national currency, in the fact that capital wields the gold sceptre, free from taxation

while the merchant, the mechanic, manufacturer and farmer are taxed to pay to capital its gold interest, and at the same time are charged ten per cent. on short loans for the use of the currency, and also at the same time have to bear the loss of the money difference between gold and the currency; thus perpetuating the supremacy of gold and the burdens of the people. It is told in the fact that the capital invested in our bonds is rewarded with all the profits of labor, while the products of labor bear all of the burdens of government. It is told in the fact, that instead of a currency medium of exchange, bearing the money token and made receivable for all dues to the government, as well as between individuals, and which would have made it a standard of payment co-equal with gold in all domestic transactions, Congress was induced, to provide by law, that the interest on our bonds and duties on imports should be paid in gold, thus subordinating the currency in the hands of the people to the gold standard controlled by capital; is told in the fact that the soldier who exchanged the comforts and endearments of home for the hardships and perils of war, the farmer, the producer and material men who furnished supplies were paid for their services and property, and had their patriotism rewarded in a depreciated currency; the money broker and exchange dealer, who shunned the hazard of the conflict, were rewarded with gold interest, and are to-day the pensioned wards of the nation.

I again ask, is this "equal and exact justice to all, exclusive privileges to none?" And repeat that the history of the legislation of no country in any age, furnishes an example for such injustice, such inequality.

It is true that the monarchies of the old world have their gold standards of payment, which are wielded by capital in the hands of their aristocracies; but the monopoly, the exclusive privileges conferred by law upon the National Banking Associations, are unknown save in the American Republic.

If, then, it is true that the authority to coin money abides in the government by constitutional grant or by virtue of inherent sovereign power, and that the money token will impart to any substance upon which it may be stamped the qualities of money; and that whether money shall be coined of gold, silver or paper, or of any one, or all of these substances, is a question not of power, but of mere policy; and that the sole and only legitimate purpose of the coinage of money is to facilitate the transaction of the business of the nation, her trade and commerce; and that to give it uniformity, stability and credit, it should emanate exclusively from the general government, in quantity and of a kind, answerable to the necessities of the people, and at the same time compatible in its effects upon community, with republican institutions.

If gold is insufficient in amount as a medium of exchange, or as a basis for a medium of exchange, to give life and activity to the developed and developing wealth of the nation, and to promise it in redemption, is a fraud, because the promise cannot be kept, and by reason of its scarcity furnishes the pretext for another and additional circulating medium, such as the national currency, thus creating a two-fold medium of exchange; ever hurtful to productive industry, and that as the measure of payment, gold tends to concentrate capital and centralize power; and as a means of payment of the debt of the nation it is a delusion, and will necessitate funding bills and renewed loans, secured by non-taxed gold bearing bonds, perpetually relieving capital from taxation and perpetuating the burdens of the people and the debt of the nation; and, if under the syndicate policy our bonds are to be placed beyond the jurisdiction of our laws, and our people are to be perpetually taxed to pay the interest on our non-taxed securities in the hands of foreign capitalists, by which process America, with her glorious past and promised future, must become a mere tributary power. The time has come, the occasion demands, and the future hopes of the nation, of liberty, and of civil equality, call upon the people to arouse themselves to a realization and just appreciation of the evils of our monetary system, and in the name of the imposing sovereignty they have the right to wield, as one man, demand and require that their representative agency—the Congress—shall by statute law interpose and relieve them from the evils of past legislation, and afford them protection for the future—a consummation vital to the Republic—clearly attainable within the grants of the Constitution, and in full accord with the theory of our institutions.

That is, to defray the current expenses of the government—pay instead of funding the national debt—furnish a safe and uniform medium of exchange, establish equal financial privileges between productive industry and capital, furnish the people with a standard of payment for a circulating medium, sufficient in amount to reanimate trade, stimulate private and public enterprise, develop the natural resources of the nation, protect the people against the wrongs, impositions and oppressions of the national banks, money-brokers and exchange dealers, and return to the policy of paying as we go. No less indispensable to free government than to the prosperity of an individual freeman. Justice to the people, the general welfare calls for the coinage of *paper dollars*, stamped with the sovereign money token of the nation, and by the law of their coinage made receivable in full discharge of all dues to the government, including the tariff or duties on imports now required to be paid in gold, and also payable in full discharge of all debts and liabilities, individual, State and National (not

now required to be paid in gold or silver coin); and that instead of any further funding the public debt into non-taxed bonds, the principal and interest thereof to be paid in gold and negotiating them in England or other foreign government, as provided for under the Syndicate policy, the law authorizing the same should be repealed, and a law enacted providing for and requiring the payment of our bonds as rapidly as the financial condition of the country may justify, say in sums annually of five hundred millions in installments at stated periods during the year, according as they may be numbered in their series and priority of date. Those payable in lawful money and at the option of the government to be first paid, and in the money so coined; and that in case the bondholder should neglect or refuse to present the bonds for payment as required, the interest thereon should be thereafter stopped.

I am not unaware that a policy such as is here indicated would incur the sore displeasure and bitter denunciation of the bondholder, gold rings, the national banks, and all like non-producing worshippers of the Golden Calf and their subsidised followers. "A fellow feeling makes us wondrous kind," and as one man they would exclaim expansion, and with uplifted hands howl repudiation, dishonor. It is not the debt that the bondholder wants, it is his gold interest and a perpetual exemption of his capital from taxation.

The gold rings, the Wall Street Junta, who wield the gold sceptre to the undoing of the profits of the producer, could not endure a policy, which in the overthrow of our two-fold medium of exchange, and the repeal of the law requiring duties on imports to be paid in gold, contemplates the ruin of their devouring traffic.

And to deprive the national banks of the sceptre of the currency, by placing in the hands of the people a standard of payment for a circulating medium, the co-equal before the law with gold in the transaction of the business of trade and commerce, would drive them to abdicate their powers, by which they hold as in the hollow of their hands the control of the vast products of the labor of the country; powers no less dangerous to civil equality than the rebellion from which they sprung—powers that will be enjoyed by the banks while a fetid Congress remains open to their insidious approaches.

Nor will such objectors stand alone, unfortunately for the country, and which will render the success of such a policy a labored one, and to establish it require a determined movement along the whole line of the people; many of our most experienced, gifted and honored statesmen, who are relied upon and confided in as political teachers, and who have been and will continue prominent in framing rules of action, and in moulding the public judgment, acting, as we will accord, from

a high sense of duty, and may be patriotic devotion to our common country ; adhering to the policy of the mother country and the practice of our own derived therefrom ; supported by their most potent auxiliary that portion of the public press which they command, and by which their ideas and opinions well reasoned and seductively clothed are pulsed throughout the body politic ; intrenched behind fixed opinions and a popular prejudice deeply rooted in the public mind against a paper circulating medium, caused by the fact that it has never had imparted to it by the stamp of the money token the qualities of money as gold has ; countenanced and applauded by gold rings, the national banks, bondholders and exchange dealers will throw around our monetary system the mantle of their protection, and with practiced tongue pour out studied anathemas in denunciation of a policy which contemplates the speedy payment of the national debt—relief from the payment of interest—forcing capital to share in the public burdens, and guaranteeing to labor, to productive industry, equal financial privileges with capital and abolishing exclusive privileges, and bringing about an equitable distribution of the profits of labor between capital and labor.

Yes, honored Senators and Representatives in Congress, and their aid-de-camps of the hustings, with no small show of defiance and impatient of opposing views, will proclaim paper money, although bearing the money token of the nation, founded upon its good faith, and daily redeemed in the commodities of trade and taxation, worthless trash, wholly delusive unless convertible into another commodity, gold, at the will of the holder.

Again, that the substance of which money is composed should possess an intrinsic value equal to the value thereof as fixed by the money token stamped thereon.

Again, that gold is the money standard of the whole world, and therefore our commercial interests, as one of the sisterhood of nations, demands a like standard of values.

Again, that a national debt is a national blessing—that it works no injury to the people.

Again, that our public debt was incurred to save the life of the nation, and therefore this generation having fought the battles of the war, posterity should pay the debt.

A formidable roll of objections, truly ; and, if well founded in fact, and indorsed by the principles invoked by the founders of the Republic, constitute a most potent appeal for a continuation of our monetary system, and for submission on the part of the people, to the wrongs entailed upon them thereby ; but if not so founded and indorsed, or at all incompatible with the theory upon which the Republic is pillared,

in view of the civil inequality inaugurated thereby, they should be swept away, with the ill-founded reasons relied on in justification of the wrongs, impositions and oppressions overcome by the Revolution, and buried, I trust, forever beneath the bloody footprints of our Revolutionary sires.

How stand the facts? We have at no time since the organization of the government had such an issue or coinage of money. The nearest approach to it is found in the greenback and national currency issues, but which, by reason of their being mere promises to pay money—limited in their functions of payment, not having imparted to them, only in part, the sovereign powers that are imparted by the stamp of the money token, they fall far short of possessing the powers of money, as would paper money coined as proposed.

Greenbacks, nor is the national currency, convertible into gold at the will of the holder, nor are they made redeemable in gold or other coin, and yet those who may oppose the coinage of *paper money*, as I have had the temerity here to suggest—although issuing from the same mint, resting upon the same authority, backed by the same sovereign sanction, and possessing enlarged functions, being made receivable in discharge of all dues to the government, including the tariff or duties on imports now required to be paid in gold, while they condemn such a coinage, with what consistency the country must judge, will declare greenbacks and the national currency the best paper money system in the world, and the best that can be devised, and asked why—answer: because resting upon the promise of the American people and the boundless resources of the nation.

May I ask, if the wealth and plighted faith of the American nation give credit and stability to her mere promises to pay money, will not that wealth and plighted faith give credit and stability to any substance bearing the stamp of the sovereign money token of the nation?

But it will be said that the coinage of paper dollars would result in a paper medium of exchange, in exclusion of gold and silver—would drive gold and silver out of circulation. On the contrary, the coinage of paper dollars, made the co-equal of gold in the transaction of the business of the people, and thereby furnish the community with a measure or standard of payment, possessing all of the qualities of money, would leave gold to lie idle in the vaults, where it is now hoarded for speculative purposes solely, or to seek investment in the channels of trade, and in the development of the natural resources of the country.

Idle it would not be permitted to remain. An inducement to that end would be wanting, and capital would not brook the loss, but ever

vigilant in its own behalf capital would dispatch gold in search of its coveted gains.

But, suppose the result would prove an exclusive paper medium of exchange, what have we now? And what have we had for the last twelve years? Who among you during that period of time has seen a dollar of gold applied to the purposes of its coinage, circulating as a medium of exchange in the transaction of the business of trade and commerce. Has it not, while under the law, holding the chief place as a standard of payment, been withdrawn from circulation, retired by capital, and converted into a commodity—a thing of mere bargain and sale, while greenbacks and the national currency have been substituted for the uses of the people—their only attainable medium of exchange.

And who so bold as to insist that paper dollars, clothed with the powers of the money token, would not be far preferable to greenbacks and the national currency as a circulating medium, limited in function, encumbered with interest, and trammelled with discount as the national currency and greenbacks are. And who so blind to reason as not to see in a circulating medium having all of the attributes and powers of money—an equal with gold, at par with it in the channels of trade—a bulwark of productive industry, as well as of capital?

But again, it is urged that the substance used in the coinage of money should possess an intrinsic or material value equal to the value thereof, as fixed by the money token stamped thereon, or be made convertible into gold at the will of the holder. Here we have the index to the long chapter of wrongs imposed by capital upon labor, artfully concealed in the mystery of a redeemable currency without the means of redemption. Here is the weight that pulls productive industry down, and enables capital to wield the financial sceptre to the enslavement of labor.

Here we have capital stripped of its disguise—of its beguilements, and see the lash with which the people are scourged, and the hand that inflicts the blows. Exhibited in a two-fold medium of exchange—*gold and the currency*—gold possessing a high commercial value as a commodity for the uses of centralized wealth, and currency infinitesimal in value as a commodity for the uses of the people.

A monetary system well devised to strengthen aristocracies and perpetuate monarchies, where it originated, but wholly at war with civil equality the only hope of a free people. If it was true that the commercial value of the commodity used in the coinage of money, and not the stamp of the money token imparted the qualities or powers of money, my voice would be for the use of the precious metals solely, and thus shun the evils of a two-fold medium of exchange—thus avoid the monopolies and exclusive privileges conferred upon money corpor-

ations—the money difference between gold coin and a depreciated currency—the discount paid to the national banks and drive gold into the channels of trade, where it will not be found while it remains the sovereign measurer of payment, and is rewarded with the emoluments of discount. But it will be urged that gold is insufficient in amount to answer the demands of our trade and commerce. True, but what then? As they do now, those who urge upon us a two-fold medium of exchange will be driven to take refuge in a paper-mill, and under the specious pretense of necessity come from thence laden with greenbacks or the national currency, or both, to supply a circulating medium.

But it is not true that the qualities of money are imparted by or depend upon the commercial value of the commodity or substance employed in its coinage; on the contrary, the qualities of money are conferred by the exercise of a power belonging to sovereignty, which is expressed and made tangible by the stamp of the money token on a thing of substance.

The value of the money token is, and should be measured and depend upon the ability of the sovereign employing it, to make good or enforce its decrees. It should depend upon and not be independent of its sovereign.

Money, properly understood, is not a commodity. It can have no commercial value as a commodity; and when converted into a commodity: is made merchandise; is bought and sold as gold is, it is given a property which does not belong to it, and becomes an alien to the purposes of its coinage.

Having a commercial value as a commodity as gold has; when its sovereign is imperilled, when it is most needed it will forsake its function as a circulating medium, become a thing of mere bargain and sale, or take refuge beyond the pales of danger. But if its value as a commodity should be nominal as paper would be, the gates of commerce would be closed against it as a commodity, and it would be driven to the side of its creator, there to abide the fate to stand or fall with its sovereign.

But it will be asked, what is to be done when we may be compelled to seek foreign aid. This is a contingency too humiliating to influence the policy of the American nation, but my answer is, do as we do now, and as we ever have done, pay in the equivalent. Again it may be asked, how are we to pay our gold interest? My answer again is, do as we do now, pay in the equivalent. Again it may be asked, how are we to pay for commodities imported hither from foreign countries? I again answer, do as we do now, pay in the equivalent. Again it will be asked, how are we to pay our bonds made payable in gold? I again answer, pay in the equivalent.

If we could but realize the fact that the people, and not the authorities at Washington, are the government, our solutions would be easier. American coin, although bearing the money token of the most abundant of nations and imposing Republic known to history, is not payable by virtue of that token in England, but when offered there, is at once stripped of its money qualities, reduced to the grade of a mere commodity, and its value fixed, not by the token it bears, but as measured by the English standard of values. The money difference between our greenbacks and national currency and gold coin that is collected and paid into the treasury in the payment of the duties on imports, and the money difference between our circulating medium and London exchange paid for foreign commodities imported here, are added to the cost of the commodity, and are borne by the people by whom they are consumed.

Impelled by these considerations, verified by our experience, I adopt the view, that the commercial value of the material, of which money is coined and furnished by the government, should be the lowest in amount.

That the standard value of money must ever vary somewhat from the worth of its material, when the value as of gold is commercially high, its fluctuations on account of quantity may become serious, but when it is cheap as of paper, its variations are infinitesimal in amount. Paper reaches a uniformity of standard value, as nearly as human wisdom can devise, and as a medium of exchange the commercial world, despite of the edicts of parliaments and congresses, in its use condemns the gold and silver theory as a heresy.

In former times the commerce of mankind was limited, and its comrade money was equally sparse; commerce was tedious, slow in its movements, and scant in its store; it traded by exchange one commodity for another, but the discovery of Polar Attraction, and the uses of the mariner's compass imparted a new life to commerce, quickened its transit, and necessitated an agency that antiquity knew nothing of; currency became that agency, and in the hands of modern nations has ousted gold as a usurper, and driven it into the fetid haunts of mere speculative brokerage, where, clothed with its legal superiority, it is the instrument with which law-favored capital enhances the wealth and augments the powers of its aristocratic possessors.

But again, it is insisted that gold is the money standard of the whole world, and therefore America, as one of the sisterhood of nations, should have a like standard of values. A mere flourish of words having no foundation in fact—the argument of gold-banded capital and pitfall of productive industry. It is true that England has her gold standard of payment; so has the German Empire and other foreign powers, and we have ours; but it is also true that the gold coin of Ger-

many, of France, or of America, is not a standard of payment in England, nor is the gold coin of England a standard of payment either in Germany, France or America. The fact being that the money of no nation, no matter what its material, is current as money, or possesses the powers or qualities of money within another sovereignty. The gold eagle of America does not run current with the Napoleon of France, or the sovereign of England. It cannot be tendered in payment, or paid in discharge of a debt, judgment, decree or other obligation beyond the jurisdiction of its sovereign. When our coin is taken out of the limits of the United States, it is at once stripped of its money qualities, of its money powers, imparted by the American money token, and becomes a commercial commodity. American gold is at a discount of from eight to nine per cent. at the British counter.

In the presence of these facts, I pronounce the assertion "that gold is the money standard of the world," an absurdity. A nation's sovereignty is confined to the limits of its jurisdiction. One sovereignty has no power within another sovereignty in the matter of the establishment of a money standard of payment. A money standard of payment is the result of the exercise of one of the highest and most indispensable attributes of sovereignty, and so vital to independent government that it has ever been the practice of nations to guard its exercise with the most jealous care. There is no such thing as reciprocity among nations in the establishment of a money standard of payment or of a standard value of money, nor can there be, and they remain independent of each other; nor should there be between this Republic and the monarchies of Europe.

If America would prove America's friend, she must, in the establishment of her money standard or measure of payment, conform to her own circumstances, ability and theory of government. If gold, on account of its insufficiency in amount, is inadequate as a circulating medium, or tends to the undue concentration of wealth—necessitates a borrowed money system or a two-fold medium of exchange to continue it the standard or measure of payment, in exclusion of another substance not subject to such objections, is to apply the knife to her own throat—suicidal. History records William Pitt, one of the greatest of English statesmen, as having said: "Let the Americans adopt their funding system and go into their banking institutions, and their boasted independence will be a mere phantom," and the fact cannot be ignored, that until we abandon gold as the basis of a medium of exchange or chief standard of payment, we will be driven to resort to public loans, funding bills, and to the establishment of banks of issue either by the states or by the nation.

It has been said, and truly, that the money token of a people is for

domestic, not foreign purposes. It is immaterial to a foreign nation what the medium of exchange of another people in their home traffic is composed of. When the citizens of diverse nations interchange their wealth let them settle their balances as they individually choose, but each nation should adjust its own household affairs as it suits it.

When American products are imported into England or France for sale, they are no longer American commodities—they are French or English merchandise to be bought and sold, not for the American, but for the French or English standard of payment—with which the shipper may purchase French or English commodities for the American market, which, imported here, in like manner become American merchandise to be bought and sold, not for the money token of France or England, but of America, else sovereignty would surrender the powers of the money token to usurping capital, and thereby surrender the control of its commerce, domestic and foreign.

While it is the duty of the American law-giver to guard with jealous care all legitimate pursuits, he should with wakeful vigilance shield and foster the productive industry of the nation, for it is the source of all wealth, the sheet anchor of the Republic.

The foreign commerce of the United States does not exceed five per cent. of her domestic trade. Why then, I ask, why ignore a policy consistent with our theory of government, and adapted to our conveniences and necessities, to accommodate our money standard or measure of payment to the financial policy of the old world? "He who provideth not for his own household is worse than an infidel;"—is as true of a nation as of an individual. But we are pointed (it must be with averted face,) to the greenback and national currency issues, depreciated by interest and discount—their money powers being measured by the gold standard as the people's panacea.

I propose no war upon capital, nor upon its idol, gold; capital is as necessary to labor as labor is to it—further than to maintain, that capital should bear a due proportion of the public burdens, and content itself with an equitable distribution of the profits of productive industry, and that the Government shall establish a medium of exchange possessing equal powers with gold, within the limits of our national jurisdiction.

I would not have our mints closed to the coinage of gold and silver, and the coinage of paper dollars involves no such necessity or consequence. Let the fortunate owner of these commodities have them coined into money at will, but I would have the Government coin paper money sufficient in amount to represent the developed and developing wealth of the nation as a circulating medium of exchange, stamped with the sovereign money token of the nation, and thus made the co-equal of gold in the transaction of our domestic affairs.

But again, it is insisted that a national debt is a national blessing. That a national debt works no injury or wrong to the people. That it stimulates public energy and enterprise, and enforces the industry of the people, and that in this they are blessed; and of a truth, if it be true, that a national debt is a national blessing, the people of the United States are most blessed. They are in the midst of a national millenium, and their murmurings under their inflictions are unjust to their public servants. And that instead of reducing or paying the

public debt it should be increased. The camp-fires of the Rebellion should be rekindled, and the liabilities thereby entailed upon the people many times multiplied. Instead of a debt, state and national, of three and a half billions, let it be increased to thirty or forty billions, so that every dollar of the nation's wealth shall be incumbered by a corresponding indebtedness, bearing interest at a rate that will necessitate funding bills to be again and again funded, and thus insure the perpetuation of the debt. Instead of a reduction of taxation, taxation should be increased until the last farthing of the profits of labor is periodically wrung from the toiling millions of the nation, and sacrificed at the shrine of capital. Instead of rewarding home industry and capital with the profits of productive industry, and thus augment the subjects of taxation, and lessen the burdens of the tax-payer, send our bonds abroad, negotiate them in foreign markets, so that the interest extorted by taxation shall be withdrawn from our national wealth and poured into the laps of the monied aristocracies of Europe as contemplated by the syndicate policy.

If a public debt is a national blessing, what credit have they who may be honestly laboring for the extinguishment of ours? What credit is due to the administration for its patriotic efforts to that end?

Why hail as public benefactors those who may be with patriotic fidelity endeavoring to so shape legislation as to relieve the people from the crushing weight of the exactions imposed upon them?

If a public debt is a national blessing, away with honesty in the discharge of public trusts. Away with economy in the administration of public affairs. Veil forever the teachings and example of those who fought the Revolution, to give life, character and independence to the Republic. Repeat again and again the "Credit Mobilier;" wipe out the imaginary shame of the salary-grabbers; restore those injured INNOCENTS to favor, and bid them on in the work of the profligate increase of the public expenditures.

Promote to places of trust and public confidence those only who, in defiance of constitutional limitation, will multiply corporate monopolies, land grants and subsidies; who will conceal fraud beneath their official robes, and give a loose reign to official corruption, for such have and ever will prove fruitful sources of a public debt.

But, appealing to the sentiments of the founders, as promulgated in that instrument by which they threw down the gauntlet of war to the mother country, and believing that the law should have no favorites, in the name of our institutions, and the reasons which gave them birth, I pronounce the assertion "that a public debt is a national blessing" a political heresy.

A public debt necessitates taxation, and every dollar of tax imposed upon the citizen is a charge upon his earnings, and to that extent lessens the rewards of his labor.

Ask the producer on his return from his market, after having paid the cost of the transportation of his products, if he finds comfort in the visitation of the emissaries of the bondholder and exchange dealer—the tax gatherer. Ask the mechanic, or he who may have gone through a year's diligent toil in any branch of industry, if he finds consolation in the fact that all of his earnings have been absorbed in the cost of his living.

A public debt in one way or another adds to the cost of all of the necessities of life, and when the debt is held by capital, as is ours, and exists in non-taxed gold-bearing bonds in the hands of foreign capitalists, the oppression upon productive industry is increased two-fold. No, the assertion "a public debt is a national blessing" is the language of law-favored capital to a tax-enslaved people—of the bondholder and exchange dealer, to oppressed labor—of non-taxed capital to a tax-burdened people, restive under their oppressions—is the language of the subsidised advocates of the borrowed money policy, and in conflict with the words of the proverb, "The borrower is ever the slave to the lender," penned by the wisest of men, and as true now as it was in the days of Solomon.

A nation like an individual, to be politically blessed must be independent of creditors, free from their exactions. And J. Cook, who parroted the heresy, is a recent and most striking illustration of its fallacy, the closing of whose vaults, *whether they contained the tin box or not*, as by magic closed the doors of the banks throughout the nation; even Europe felt the shock.

But again it is insisted that our debt was incurred to save the life of the nation, and that this generation having fought the battles of the war, posterity should pay the debt. True, the debt resulted from the war, and it is now too late to urge the impolicy of issuing gold bearing bonds and their having been disposed of at ruinous discount, by which the expenses of the war were doubled. Instead of a resort to a power belonging to sovereignty and inherent in the government, and the coinage of paper money instead of bonds, and have made it receivable for all dues to the government, including duties on imports as well as between individuals, which must and would have given it credit and circulation, would have made it better than greenbacks or the currency, and by which the actual expenses of the war would have long since been absorbed in the payment of taxes, and the sacrifice incurred in the sale of the bonds, and the payment of gold interest, already amounting to a sum as great if not in excess of the amount realized from the sale of the bonds avoided.

But it does not follow, that because this generation fought the battles of the war that therefore we should hand down to posterity the debt incurred thereby.

The debt is ours, and, if possible, we should pay it; for while it was incurred to preserve the unity of the nation, that we might transmit to posterity that which had been confided to us with solemn injunction to defend it against all foes, foreign and domestic, it is no less true that the debt was contracted in vindication of our own rights to defend our own property and firesides, to maintain our own liberty and independence, and make America, indeed, a nation of freemen, to abolish slavery. Posterity may, and most likely will, have its own foes to contend against, its own liberty and independence to defend as we have had ours to defend, and if we would prove ourselves worthy of the name of patriots, we must, within the scope of our ability and sovereign authority, in peace as in war, prove true to the cause of liberty and mankind, by transmitting to posterity our institutions strong in the affections and confidence of the people, and not the palsied remains of a once imposing Republic, with battered crest and gore

stained jaws, toppling to its fall under the crushing weight of a public debt in the hands of an exacting non-taxed monied aristocracy.

And what would be gained by turning over the debt to posterity? The interest goes on, and this generation must, under our existing monetary system, pay in interest alone, a sum equal to the debt. Make the calculation, if you will, and you will find the assertion verified.

What, then, is our duty? In the presence of the evils borne by the people, with the sad experience of nations long since entombed beneath the ruins of their once imposing grandeur before us, the answer forces itself upon us: **PAY THE DEBT AND STOP THE INTEREST.**

Congress has the power to coin paper money and make it receivable for all dues to the nation and between individuals, not payable in kind, and with the money so coined, may provide the means for the payment of the national debt, and lift from the people the incubus by which they are prostrated at the feet of overshadowing monopolies, banks, bondholders and gold rings. That would secure to the people a circulating medium, the co-equal at par with gold in the transaction of the nation's interchange of values, abolish the money difference between gold and currency. That would do away with our borrowed money system, the practice of issuing promises to be redeemed in gold without the gold to comply with the promise, the source of funding bills, bank failures, bankruptcies and national distresses. That would insure a return at once to specie payment without the evils, hardships and ruin sure to attend a resumption of specie payment in gold or silver. That would cheapen money and promote public works, the construction and equipment of railroads, open up competing lines of transit, and insure competition in the carrying trade, the only sure reliance of the producer against exorbitant rates of transportation imposed by corporate monopolies.

That would revive ship building, and in our day restore our marine to its wonted position upon the high seas. Carry our flag at the mast-head of our merchantmen to the trade marts of the world, and enable America again to successfully compete with England for the carrying trade of the nations. That would do away with banks of issue. That would disarm the monster, a two-fold medium of exchange, by which the substance of the people is devoured, and drive gold from its fetid haunts of mere speculation into the channels of trade, there to subserve the sole and only legitimate purpose of its coinage, to circulate as a medium in the exchange of values, and thus strengthen the bonds of our union, and lay broader and deeper the foundations of our freedom and independence.

That would free the toiling millions of the nation from an impending slavery, not so inhuman perhaps as that which was imposed upon the Helots of Sparta, or the African in America, but more universal than either, and no less potent in oppression than the slavery imposed by the Feudal System, which was developed in that darkness which spread over Europe upon the fall of the Roman Empire, and which bore unrestricted sway until about the close of the eleventh century, when the crusaders marched to rescue the Holy Land from the rule and the cruelties of the infidel; which epoch, so eventful in the world's history, though slow in its developments, having marked the earth with blood during two centuries, roused Europe to the espousal of the cause of

civil equality, and by the aid of the enlightening influences of commerce finally dissolved the fetters of the Feudal System and drove the Feudal lords, the aristocracy, to discover some other means by which to continue their mastery over labor. They were not long in making the discovery. They seized the scepter of finance, and merging into a monied aristocracy, they and their successors have from thence to this hour, without intermission, inexorably and relentlessly wielded it to the undoing of labor, not only in Europe, but have followed the pilgrims to the new world. And when the Republic rose from the crushing embrace of the parent country, this insidious foe to her perpetuity was found lurking in her councils.

It passed unheeded, that a system of finance which imparts strength and perpetuity to a monarchy must prove destructive to a Republic and mark the period of its overthrow.

A monarchy is a creature of the concentration of sovereign powers, and rests upon the civil inequality of men, while a Republic is created by a defusion of the powers of sovereignty and rests upon the civil equality of men.

And it is most strange that the principle of equality, vital to a Republic, and which animated the fathers and gave victory to their cause, should have been overlooked in their adoption of the English system of finance.

England bowed before the prowess and patriotism of her oppressed colonists, but not before she had planted deep in the bosom of the young nation the poisoned shafts of human and financial slavery, more threatening to a Republic, when prejudiced by fixed opinions and love of power, than all the mailed hosts with which she might have sought to invade our soil.

Fixed opinions, even prejudices, often repel the attacks of reason, and when alloyed with self-interest, convert ancient evils into vested rights. The demands of justice, and the promptings of the most exalted philanthropy and patriotism, are met with sordid indifference.

Point to the condition of labor in Great Britain and on the continent; to the excessive toil demanded from even women in the coal mines of England and Belgium, and from tender children in the fen-gangs of England, which deprives childhood of its bouyancy, home of its charms, and which supplants intelligent and sturdy youth by ignorance and premature decrepitude, and prove as you may that the monetary system under which they live is the ostensible cause; still the votaries of wealth and power, the monied aristocracy, with a blind indifference to the rights and welfare of others, will, with the death grapple, cleave to the system that exalts them, though it may degrade their fellow men.

The yoke of the Feudal lords has been long since buried beneath the rubbish of ages.

Manhood slavery in America has been stricken down in blood, and my humble petition is that our financial slavery may be overthrown without meeting a like fate.

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